

American Gas *Association* MONTHLY

Meeting the Challenge of War

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New Vistas for Natural Gas

•

Timetable of Post-War Action

•

Foundation for Future Sales

•

Role of Gas Engineers in War

November



1943

VOLUME XXV NUMBER 11



GAS heat-treating helps save them for the war jobs they have to do!

Not many people realize the extra values contributed to the war effort by Gas in ordnance manufacture alone.

For instance, after Pearl Harbor "priority metals" came into the war picture with a rush. They were controlled, allocated, measured out sparingly. Still there were not enough for all the alloy steels needed for armaments. Something had to be done.

That's when Government ordnance men, working with metallurgists and engineers in industry, developed refined heat-treating processes to permit use of metals of lower alloy content—saving nickel, copper, aluminum, chromium, vanadium.

The chart shows the enormous savings made in critical metals as a result of this single contribution in which Gas plays so important a part . . . to say nothing of the job Gas-fired equipment and engineering have done in heat-treating and heat processing other munitions and

ordnance equipment for which Gas has been specified.

From today's war production accomplishments are coming lessons to all branches of the metals field in new ways to use Gas for speed, economy, greater product uniformity and conservation of vital metals.

AMERICAN GAS ASSOCIATION
 INDUSTRIAL AND COMMERCIAL GAS SECTION
 420 LEXINGTON AVENUE, NEW YORK

THE TREND IS TO GAS

FOR ALL
INDUSTRIAL HEATING



CONTENTS FOR NOVEMBER 1943



The second Annual Meeting since the war began, covered in this issue, found the United Nations a long step nearer on the Victory road. Last year the meeting was concerned almost exclusively with war operating problems which, for the most part, were new. This year, while some of the problems existed in varying degrees, they did not have the same urgency. Support of the war effort and wartime regulations have become second nature. . . . It is not strange, therefore, that interest in the post-war period grows progressively with progress on the fighting front. . . . War problems were by no means shelved but perspective and emphasis had shifted somewhat. The horizons of the future were taking shape as the war advanced. . . . Emphasis on research, sales and advertising indicated a healthy return to normalcy and industrial progress wholly apart from the war. . . . Messrs. Beebee, Sperry, Adams, and others offer much constructive thought on problems of tomorrow. . . . A revival of appliance sales is heralded in the remarks of Messrs. Seiple, Mitchell, Mettenet, Ruthenburg and Smith, who collectively laid down an enlightened sales policy platform for the industry.

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SUBSCRIPTION . \$3.00 A YEAR

Published eleven times a year by the American Gas Association, Inc. Publication Office, American Building, Brattleboro, Vt. Publication is monthly except July and August which will be a bi-monthly issue. Editorial Offices, 420 Lexington Avenue, New York 17, N. Y. Address all communications to American Building, Brattleboro, Vermont, or to 420 Lexington Ave., New York 17, N. Y. All manuscript copy for publication should be sent to the editorial offices in



New York. The Association does not hold itself responsible for statements and opinions contained in papers and discussions appearing herein. Entered as Second Class Matter at the Post Office at Brattleboro, Vermont, February 10th, 1922, under the Act of March 3, 1879.

Cable Addresses: American Gas Association
AMERIGAS, NEW YORK
American Gas Association Testing Laboratories
AMERIGASLAB, CLEVELAND



ERNEST R. ACKER, of Poughkeepsie, N. Y., who was elected President of the American Gas Association at the Annual Meeting and at the same time received the Charles A. Munroe Award for making the most outstanding contribution to the gas industry—the first time in the history of the Association that any individual has won both honors in the same year. Mr. Acker is President of the Central Hudson Gas & Electric Corporation and was Treasurer of the Association for a number of years. As Chairman of the important Committee on War Activities, he has been in close touch with the gas industry's war effort.



JAMES M. BEALL, *Editor*

WAR MEETING

... Plans for Post-War Action Share Spotlight

THE twenty-fifth anniversary meeting of the American Gas Association at the Jefferson Hotel, St. Louis, Mo., October 26-28, found the gas industry wholly confident of the successful conclusion of the war and already well-advanced in its plans for post-war action. Approximately 1400 delegates, several hundred more than attended last year's meeting at Chicago and a record attendance for a war meeting, were present.

Having marshalled its full strength to aid the war effort, the gas industry's leaders are now intent on bringing into sharper focus the problems of reconversion, demobilization and peace. Confronted as the industry will be with unprecedented competitive and operating problems, it is felt that the industry must be prepared with a strong research, advertising and sales program in order to cope with these problems. Consequently, a large proportion of both general and sectional programs dealt with these subjects.

While increasing attention was given this year to post-war considerations, reflecting unmitigated confidence regarding the outcome of the war, there was no discounting the hard road that lies ahead before the war is finally won. A number of government speakers headed by J. A. Krug, director of the Office of War Utilities, War Production Board, underlined this fact.

In a surprise appearance, Mr. Krug gave the industry first-hand knowledge of the war and praised the American Gas Association "for doing an amazingly good job of gearing the gas industry to war." Indicative of the long road our country has come since the desperate months of 1941, he revealed that the United States produced more than 8,000 airplanes in October—and was now making three times as many heavy bombers and transports in one month as we had in the Fall of 1941. The balance sheet today shows record quantities of equipment of all categories rolling off assembly lines—and it is *good* equipment, Mr.

Krug said. He added that the critical period was just ahead and that we would reach the peak of production early next year.

While steel will be exceedingly tight in 1944, Mr. Krug declared that we were about out of the woods in regard to other materials, particularly aluminum and copper. Manpower has replaced materials as the number one headache for next year, he said, adding that the utilities were not as safe in this respect as could be hoped.

Another serious situation facing the gas industry is the coal supply, Mr. Krug asserted, pointing out that many parts of the nation will not have an adequate supply this winter. He stated that manufactured gas particularly faced serious problems and urged the industry to support the national fuel conservation program.

In closing Mr. Krug said that we could not expect a short war, but that industry and military had teamed up in an all-American combination which could not be stopped.

Arthur F. Bridge, president of the American Gas Association, in his address at the first general session, called attention to the silver anniversary of the Association and compared the industry's position now with that of 25 years ago when World War I was in progress. He also reviewed the Association's war work and pointed out some pitfalls created by current tax legislation. His address, which concludes a most able administration, appears in full elsewhere in this issue.

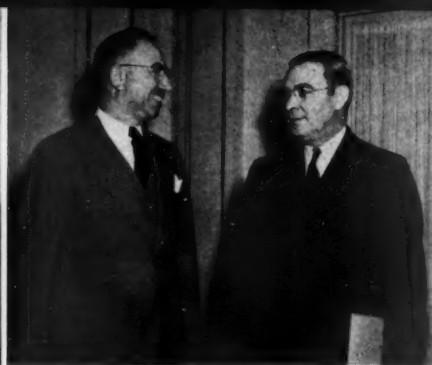
A complete exposition of current war activities of the Association and the gas industry was presented by Ernest R. Acker, chairman of the Committee on War Activities, president-elect of the American Gas Association, and winner of the Charles A. Munroe Award for making the most outstanding contribution to the gas industry. Mr. Acker stressed particularly the national seven-point conservation program which now represents "the most vital and far-reaching fac-



President Arthur F. Bridge, Los Angeles, presiding the Annual Meeting



Incoming President Ernest R. Acker and Harry K. Wrench, of Minneapolis, Chairman, General Sessions Program Committee



Newly elected Vice-President J. French Robinson and E. Holley Poe, General Manager, Petroleum Reserves Corp., Washington, D. C.



H. Carl Wolf, Chairman, Nat. Adv. Com., and Pres. Walter C. Beckjorn

tor in the industry's relationship to the conduct of the war." Pointing out that this voluntary program has been adopted as an alternative to the further rationing of fuels and services, he urged continued support of the program and cooperation with local conservation committees.

In making our war contributions it is noteworthy, Mr. Acker said, "that in the face of a larger number of customers served, increased peak loads and a greater volume of gas sold, the industry has handled its business during the past two years with a decrease of 12% in personnel in 1942 and an estimated decrease of 5% in 1943." In spite of this handicap, the industry has rendered outstanding service to the war program. He cited technical and other contributions and referred to the work of home service departments as "one of the greatest contributions of the industry to the war effort."

Marcy L. Sperry, president, Washington Gas Light Company, Washington, D. C., described the enlarged and accelerated program of fundamental

research conducted by the American Gas Association. He pointed out the potential benefits of a bold and aggressive research program, and stated that the Association had appropriated one-fourth of its current gross income for domestic gas research. His informative and stimulating address will be published in the next issue of the A. G. A. MONTHLY.

Following Mr. Sperry on the program, John I. Yellott, director of the Institute of Gas Technology, reviewed briefly the Institute's research and educational program. He stated that the Institute now has 20 fellows who are receiving thorough training in gas technology. In addition to its educational program, the Institute conducts research on cooperative projects such as that on organic sulphur for the American Gas Association and the Rochester Gas & Electric Corp., and other sponsored investigations.

The Association's treasurer, J. L. Llewellyn, The Brooklyn Union Gas Co., reported that A. G. A. was in sound financial condition.



J. A. Krug, director, Office of War Utilities, WPB



Col. Hudson W. Reed, Philadelphia, General Sessions' speaker



Dr. W. H. Sebrell, Food Dist. Adm., Washington, D. C.



Col. Willard F. Rowell, President, A.G.A.E.M.



Groups at the Annual Meeting. Left—Marcy L. Sperry, Washington; W. A. Dougherty, New York; H. N. Mallon, Bradford. Center—A. M. Beebe, Chairman, Post-War Planning Committee (extreme right), and his four horsemen: R. E. Ginna, Rochester; R. J. Rutherford, Worcester; C. V. Sorenson, Hammond; Hall M. Henry, Cambridge.

Right—Home Service Breakfast headliners: Jessie McQueen, New York; Ruth Sheldon, Washington, incoming Chairman, Home Service Committee; Jesse L. Johnson, Providence; Billie Burke; Louis Rutbenburg, Evansville; Jeannette Campbell, Chairman, Home Service Committee, who presided at breakfast meeting, pictured here.



Chairman
and Past
Beckjord

The Association's Treasurer, J. L. Llewellyn, Brooklyn, and Charles R. Bellamy, New York



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speake

Two Pacific Coast representatives—Norman R. McKee and F. M. Banks, both of Los Angeles



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A.E.M.

Major T. J. Strickler, Past President of the Association, and Managing Director, Alexander Forward

New Association Officers

PRESIDENT—Ernest R. Acker, president, Central Hudson Gas & Electric Corp., Poughkeepsie, N. Y.

VICE-PRESIDENT—J. French Robinson, president, The East Ohio Gas Company, Cleveland, Ohio.

TREASURER—J. L. Llewellyn, insurance manager, The Brooklyn Union Gas Company, Brooklyn, N. Y.

DIRECTORS—TWO YEAR TERMS—F. M. Banks, vice-president, Southern California Gas Co., Los Angeles, Calif.; Walter C. Beckjord, executive vice-president, Columbia Gas & Electric Corp., New York, N. Y.; C. M. Cohn, president, Consolidated Gas Electric Light & Power Co. of Baltimore, Baltimore, Md.; Watson E. Derwent, vice-president, Geo. D. Roper Corp., Rockford, Ill.; R. L. Fletcher, vice-president, Providence Gas Co., Providence, R. I.; D. A. Hulcy, president, Lone Star Gas Company, Dallas, Texas; E. P. Noppel, Ebasco Services Inc., New York, N. Y.; Bruno Rahn, president, Milwaukee Gas Light Co., Milwaukee, Wisconsin; Louis Ruthenburg, president, Servel Inc., Evansville, Ind.; E. J. Tucker, director and general manager, Consumers Gas Company of Toronto, Toronto, Ontario; H. Carl Wolf, president, Atlanta Gas Light Co., Atlanta, Ga.

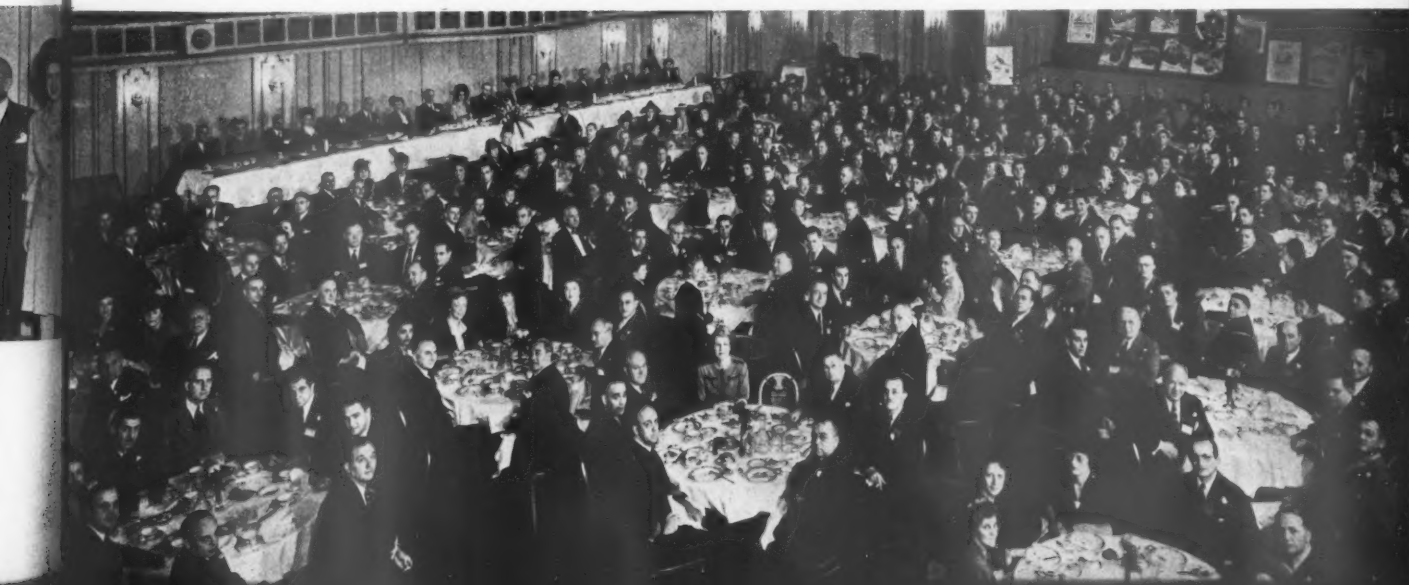
Addressing a packed audience of more than 1000 persons who attended the first of two general luncheons held during the annual meeting, Colonel Willard F. Rockwell, director of production, United States Maritime Commission, analyzed significant factors facing American industry on Victory-Day. Col. Rockwell, who is also president of the Association of Gas Appliance and Equipment Manufacturers, and president of Pittsburgh Equitable Meter Co., cited the danger of making peace too soon on terms too favorable to the Axis powers. He warned against allowing government by directives to continue after the war. In his opinion, despite the problem of war contract termination, there will be prosperous years when peace comes if

some of the present restrictions are lifted and we maintain our international position. He concluded that American business initiative would surmount all obstacles in re-building a war-torn world.

Another capacity crowd attended the Home Service Breakfast which inaugurated the second day's program and proved one of the highlights of the entire meeting. This colorful event, featuring the famous Billie Burke, star of Servel's "Fashions in Rations" radio program, and a series of talks on food preservation and conservation, is described in a separate article in this issue.

Also throwing a spotlight on food conservation, Dr. W. H. Sebrell, associate director, Food Distribution Ad-

Home Service Breakfast Meeting



Chairmen for 1943-1944

ACCOUNTING SECTION: Chairman—O. H. Ritenour, Washington Gas Light Company, Washington, D. C.; Vice-Chairman—C. E. Packman, Middle West Service Co., Chicago, Ill.

INDUSTRIAL & COMMERCIAL GAS SECTION: Chairman—Charles G. Young, Springfield Gas Light Co., Springfield, Mass.; Vice-Chairman—Harry K. Wrench, Minneapolis Gas Light Co., Minneapolis, Minn.

MANUFACTURERS' SECTION: Chairman—Malcolm Leach, Glenwood Range Co., Taunton, Mass.

NATURAL GAS SECTION: Chairman—R. E. Wertz, Amarillo Gas Co., Amarillo, Texas; Vice-Chairman—R. H. Hargrove, United Gas Pipe Line Co., Shreveport, La.

RESIDENTIAL SECTION: Chairman—C. V. Sorenson, Northern Indiana Public Service Co., Hammond, Ind.; Vice-Chairman—J. H. Warden, Oklahoma Natural Gas Co., Tulsa, Okla.

TECHNICAL SECTION: Chairman—Charles F. Turner, The East Ohio Gas Co., Cleveland, Ohio; Vice-Chairman—L. E. Knowlton, Providence Gas Co., Providence, R. I.

ministration, Washington, D. C., opened the second general session with a notable address on "Civilian Nutrition and the War." Declaring that we "have enough food to meet our nutritive demand," he warned however that "the demand for food, both for civilian and war purposes, has grown faster than the supply."

In this situation, nutrition education plays a paramount part, Dr. Sebrell said, and the utilities, through their home service departments, are doing a magnificent job in supporting the more than 3000 local and county nutrition committees that have been formed. He urged support of the big national campaign on Food Fights for Freedom which is now under way with the slogan: "Produce, Conserve, Share, and Play Square."

Post-War Program

The next speaker, H. Carl Wolf, president, Atlanta Gas Light Company and chairman, Committee on National Advertising, fired the opening gun in a barrage of shots aimed at post-war targets and designed to establish the supremacy of the gas industry in the fuel field. Under the title "Advertise and Advance," Mr. Wolf presented a vigorous and stimulating exposition of the case for more and better national gas advertising.

After defining advertising as "What we think of ourselves," and public relations as "What others think of us,"

* See Mr. Beebe's article on page 443.

Mr. Wolf said that the aim of the current campaign was to bring the one into consonance with the other. He envisioned a new plateau of dynamic competitive economy and declared that gas must be dynamic if it is to capture its share of the market. In conclusion he urged the industry to do its utmost to build up the idea that the dream home of tomorrow will be gas-equipped and gas-served.

Mr. Wolf set the stage for the frontal attack on post-war problems which occupied the remainder of the general sessions' program. A large proportion of this part of the program was devoted to reports on the important work of the Post-War Planning

Committee under the leadership of Alexander M. Beebe, Rochester Gas and Electric Corp.

Speaking at the second general luncheon, Mr. Beebe set forth the fundamental principles and basic studies which form the foundation of the gas industry's cooperative post-war activity. Another feature of the luncheon was the presentation of awards to individuals for outstanding achievements during the past year—an account of which appears elsewhere in this issue.

After giving a broad, over-all picture of the post-war committee's far-reaching program,* Mr. Beebe introduced the following chairmen and vice-chairmen of the basic divisions of this activity who gave previews of the work accomplished to date:

"Post-War Purchasing Power and Potential Markets," C. V. Sorenson, Public Service Co. of Northern Indiana, Hammond, Ind.

"Factors Affecting the Realization of Potential Markets," R. J. Rutherford, Worcester Gas Light Co., Worcester, Mass.

"Gas and Electricity in the Homes of Tomorrow," R. E. Ginna, Rochester Gas & Electric Corp., Rochester, N. Y.

"Engineering and Economic Problems within the Industry," Hall M. Henry, NEGEA Service Corp., Cambridge, Mass.

"Post-War Employment,"

(Continued on page 452)



E. J. Boothby, Chairman, Committee on Domestic Gas Research, explaining domestic gas research bulletins to Wesley F. Wright, Dallas; J. J. Quinn, Boston; Jesse L. Johnson, Providence, and F. M. Banks, Los Angeles

Meeting the Challenge of War



President Bridge

THIS, the twenty-fifth meeting of our Association, occurs during a critical phase of the greatest war of all time. This Association was created through merger of organizations representing the technical, sales and appliance manufacturing branches of the industry, near the conclusion of World War 1, when the outcome of that conflict appeared certain. The past quarter-century has brought great progress and profound changes to our industry. This is notably true of the natural gas branch, which, through discovery of new sources, and extension of thousand-mile pipelines to new markets, has grown from an infant of 2,500,000 customers in 1918 to 8,500,000 customers in 1943.

Industry Gains

The most important factor contributing to this remarkable expansion was the application, in 1927, of new electric welding techniques to the volume production of large diameter steel pipe. This development alone made possible in just a few years the trebling of allowable pipeline stresses, accompanied by a corresponding reduction in gas transportation costs. Meanwhile the sister industry, manufactured gas, while not enjoying such rapid growth, gained 67% in customers during this same period. Total gas sales by the entire industry in 1942 were approximately 3.4 trillions of cubic feet, representing an increase of 247% over 1918.

The story of the gas industry during this quarter-century is a most interesting one, well worthy of a historian's pen, but I am not a historian, nor does time permit me to dwell too long on our past accomplishments. For the most part it is a story of splendid public service, of resourcefulness and

By ARTHUR F. BRIDGE

*Vice-President & General Manager
Southern Counties Gas Co.
Los Angeles, Calif.*

adaptability, of ups and downs with the economic and industrial trends of the times, of prosperity and adversity, and of steady if irregular progress. The gas industry has reason for pride in the quality of its personnel through these twenty-five years, in its members of all ranks who have earnestly and sincerely, and often sacrificingly, given the best they had for the industry's advancement.

When the American Gas Association was organized, to use the words

Presidential Address at the Annual Meeting

of our first President, Hon. George B. Cortelyou, "we were in the grasp of economic conditions for which we were not responsible and over which we would exercise but little influence." He referred to the mounting costs of operation due to war inflation of prices for materials and labor, and the difficulties of securing rate increases to keep step with changes. If the situation in 1918 required a united front, subordination of individual objectives, and the best thought of everyone in the industry, how much more the current situation demands these same qualities in 1943.

Now, if ever, we must stand together.

We are again approaching the conclusion of a World War, although I believe we are not as close to peace as we were when this organization began its life twenty-five years ago. Certainly our position in every theater of the war has vastly improved since I discussed this subject briefly in Cincinnati in April. While a victorious outcome now appears certain, the road ahead is long and bloody, and the problems and sacrifices of today will

probably appear small compared to those which will confront us before our conquest of the remaining Axis partners is complete. However, there is a brighter side. This country is approaching the end of the second year of this war. We have already been engaged three months longer than our participation in World War 1, yet, despite early heavy losses at Pearl Harbor and in the Philippine campaign, and with twice as many men in the armed forces, our dead, wounded, and missing to date are less than one-half those in the first great conflict.

In contrast, the money cost of this war is already many times that of the last, in fact it dwarfs the total cost of all the wars in our Nation's history. No one, I think, can surely predict what strains this stupendous debt will place upon our economy, but we know that its burden will be upon the necks of our children's children, and will color and affect every personal, business, and national activity beyond the lifetime of anyone now living. Beyond doubt this war and its after-effects will profoundly alter, if not revolutionize, our social, economic, and political structure.

Transition Economy

It appears quite unlikely that the transition from a war to a peacetime economy will follow the pattern of World War 1. Only vision, intensive analysis and careful planning can steer us safely through the ordeal of reconversion and accomplish a sound economic readjustment. This need imposes a grave responsibility upon those in executive positions. We must weigh carefully both our present situation, and our probable position at the end of the conflict so far as we can now foresee it. It is, therefore, quite fitting that our General Sessions Program Committee, under the capable leadership of Harry Wrench of Minneapolis, has devoted this Annual Meeting to discussion of war and post-war problems.

Our Committee on War Activities

has from its establishment in 1942 been led by Ernest R. Acker, whose devoted services to the industry in a critical period will long be remembered. The Post-War Planning Committee headed by Alexander M. Beebe, and thoroughly representative of the entire industry, has done an outstanding job of appraising the factors with which we shall have to deal when the war ends. We shall hear from these chairmen. Our Association's most valuable assets are men such as these, who are willing to devote themselves, their time, and their talents to our common cause. Among the subjects explored by the members of Mr. Beebe's committee, and to be covered in their presentation, are: the scope and character of markets, changes in purchasing power, and methods of retaining customer acceptance of our product.

Preparation for Sales

Our competitors have been exceedingly active in developing new appliances and preparing for the resumption of sales activities. Over a period of years we have collectively expended large sums and much effort to develop markets for gas and to promote customer good will, hence we should be most diligent in devising means of holding and expanding our markets when peace is restored. One of the most promising of the new tools which will be available is the year-round air conditioning unit. This appliance is now being perfected, and, with effective promotion should provide us with a substantial and much needed addition to our off-peak load.

As the speakers who follow me will inform you fully, both on our war activities and our plans for the peace to follow, I shall endeavor to avoid encroaching upon their subjects, and discuss briefly certain other matters which concern our industry and our Association.

First, a word of thanks and commendation for Major Forward and his able associates, who comprise our headquarters staff. In these trying and chaotic times they have carried on devotedly, and maintained our Association as a smoothly functioning organization. The officers and Executive Board can only determine policy, while the real hard work devolves upon the staff.

They provide for our members an alert, competent, and tactful liaison with the numerous governmental agencies and bureaus which now regulate our affairs. The Association's Washington office, under the skilled guidance of George Bean, plays an important role in this phase of our activities. Our Association has been frequently thanked and congratulated by Washington officialdom for the prompt and painstaking response by our staff to requests for expert advice, statistics, and other information. During the past year your Board recognized the latent administrative ability of John West by assigning him to the position of Assistant Managing Director—a promotion well deserved. Like many other ladies nowadays, Miss Moomaw stepped into her boss's job when he went to Washington, and is meeting her new responsibilities most capably.

Laboratories' War Work

As a member of the Laboratories' Managing Committee I have for many years maintained a close contact with direction of the Laboratories and a keen interest in their welfare. Until recently the principal function of our Laboratories has been the testing of gas-burning appliances in the interest of the consuming public. Government restrictions and universal conversion to war production have so curtailed the manufacture of such equipment, that testing and approval activities have been almost suspended. Anticipating this condition, plans were laid in 1942 for effectively utilizing the Laboratories' technical staff and special facilities in supplying engineering services for war products. After months of research, a special oxygen regulating device was developed for use in airplanes. In October, 1942, our Association was awarded a contract by the Army Air Forces for 25,000 of these regulators. Engineering and testing services are supplied by the Laboratories, these constituting their major war project to date.

In addition a number of research and development contracts awarded by the War and Navy Departments, and other agencies of the Federal Government, are now in progress. Briefly, they involve devices for control and regulation of gases. Special apparatus to maintain a constant gaseous at-

mosphere in range finders, developed as the result of one of these assignments, has been approved by both the Army and Navy, and early award of a production contract by the War Department is expected. Plans call for the Laboratories to test all production models prior to acceptance and to provide other engineering services as required. Present war work will thus be considerably expanded, necessitating use of facilities of the Los Angeles Laboratory. The importance of this work is attested by a letter of commendation which we recently received from Dr. James B. Conant, Acting Director, Office of Scientific Research and Development, Washington, D. C., in which he said in part:

"For approximately a year the American Gas Association Testing Laboratories have been carrying out a program of studies of subjects of military importance referred to them by the National Defense Research Committee. I am told by Dr. Thornton C. Fry, who has been our authorized representative in supervising these studies, that the work has been performed with unusual efficiency and dispatch . . . their work was done rapidly and economically. . . . I wish to express my appreciation for this important contribution to the effective prosecution of the war."

Extensive Research Program

In addition to the responsibilities brought about by direct war assignments, the Laboratories are now engaged in the most extensive research activities in their history. During the year the scope of the research program sponsored by the Committee on Domestic Gas Research was enlarged, and additional funds assigned the Laboratories for its conduct. Its objective is the early completion of extensive fundamental research, designed to aid the development and improvement of domestic gas-burning equipment which will be manufactured in the post-war period. It is agreed that our industry's future domestic load depends in large degree upon our ability to continue to supply the public with new types of equipment incorporating the latest features of design and most effective means of fuel utilization.

While research along these lines has been in progress for some time, it was recognized we would be unable to accomplish the desired results within the time available unless the program was accelerated, hence work on domestic

gas research is now being conducted at a rate four times that of a few months ago. This speed-up necessitated utilization of all available personnel and the addition of many new employees, most of them women graduates in home economics, whose work has been quite satisfactory. Two bulletins on domestic gas cooking have already been published and two others on water heating and burner design will soon be submitted. It is confidently expected that the results of this activity will be reflected in new products offered to our customers when appliance manufacture can be resumed.

Previous experience enabled the Laboratories' personnel to devise and perfect control equipment urgently needed by the Army and Navy, in successful competition with much larger industrial organizations. Not only are the products themselves an important contribution, but because of this activity the Association has acquired prestige and standing with the research and procurement branches of the armed forces. Director Conner and his associates deserve our praise and thanks for a job well done under difficult conditions.

Home Service Activities

Whether due to foresight or good fortune, the gas industry is to be congratulated in having its home service department well established and functioning when war started. Certainly no other representatives of the industry have contributed more to community life and national welfare under wartime conditions. With many of our normal avenues of customer contact interrupted, they have been missionaries of goodwill through essential service and information furnished to the public, and cooperation with many local and national organizations. Their work has done much to promote acceptance of our industry as an institution which provides an important public service. Home service activities are now many and diverse. Aiding the Government programs of home nutrition, nutrition in industry, and conservation of fuels and appliances led naturally to establishment of information bureaus on food rationing. This year much of their attention has been devoted to food preservation because of the need to conserve the products of millions of

A. G. A. Reorganization Proposed

ANNOUNCING a proposed reorganizational change in the American Gas Association, President Arthur F. Bridge, speaking before the Annual Meeting in St. Louis, on October 27, said:

"For some time past there has been a feeling among many of our natural gas members that their branch of the industry is inadequately recognized in our present organization. They believe that in view of the prestige and importance of the natural gas business it should not be continued as a Section having administrative parity with other Sections of lesser importance and functional scope.

"This viewpoint which, in my opinion, is justified, has been the cause of misunderstanding and dissatisfaction. It was therefore deemed desirable to study the present organization plan with a view to eliminating this source of disharmony, and to that end I appointed a special committee consisting of J. French Robinson, Chairman, and Ernest Acker. That committee has just submitted its report. The report and plan were unanimously approved by the main advisory committee of the Natural Gas Section and favorable action thereon recommended to the Executive Board. The report was unanimously approved by the Executive Board at its meeting yesterday, and resolutions were adopted designed to amend the constitution and by-laws in order to carry the contemplated changes into effect.

"The plans of reorganization and the constitutional amendments will be submitted at an early date to the Association membership for ratification. It is my hope that these amendments will receive the prompt and favorable consideration of our members."

Following is the committee's report outlining the changes recommended:

Report of Special Committee on American Gas Association Organization

"The Committee appointed to consider organizational changes in the American Gas Association herewith submits amendments to the Constitution providing for the nomination and election of two Vice-Presidents, one from the natural gas industry and one from the manufactured gas industry, and the setting up of a Natural Gas Department and a Manufactured Gas Department, each to be headed by a Managing Committee of which the respective Vice-President shall be Chairman; and providing that the Vice-Presidents shall be ex-officio members of the Finance and Control Committee.

"We further recommend that the Board declare as Association policy that the General Nominating Committee shall alternately nominate natural gas and manufactured gas Vice-Presidents for the Presidency and that Sectional Nominating Committees name natural gas and manufactured gas Chairmen alternately.

"It is the intent of these recommendations to relate the organization of the Association more directly to the present-day needs of the two main divisions of the industry, assigning to the newly created Departments under qualified executive control such activities as are specifically applicable to each Department and grouping in the Section, general committees and Laboratories the remaining activities which are jointly applicable to both Departments.

"Your Committee further recommends the creation of a standing Coordinating Committee on Research to consider all of the research activities of the Association and its agencies, to recommend from time to time what research activities shall be undertaken and financed and which shall be discontinued and to report on their relative importance to the industry.

"Your Committee has discussed at length the most effective arrangement of General, Departmental and Sectional Committees to effectuate the purposes of the foregoing recommendations and has outlined certain suggestions for consideration by the various existing Managing Committees. We, therefore, recommend that this Committee be continued for the purpose of reviewing and discussing with the Sections' appropriate committee rearrangements and of reporting thereon to the Board.

"It is believed that the recommendations in this report and the adjustments that will follow will increase the usefulness of the Association to all of its members and will enlarge its opportunity to be of service to the industry.

J. FRENCH ROBINSON, *Chairman*
ERNEST R. ACKER

Victory gardens. As a means of supplementing home canning, especially for non-acid vegetables, a simple, safe, and inexpensive method of dehydration, employing the gas range oven, was developed. Twelve million customer contacts in one year by our home service personnel is a record which tells its own story. It is a record of which we are proud. Keep up the good work.

There are several aspects of the current Federal tax situation of vital concern to our industry, upon which I should comment. I feel confident that I express the viewpoint of our industry in saying that we expect and desire to carry our equitable share of the burden of financing the war, but feel it our duty to direct the attention of the proper public authorities to provisions of the present law which we deem discriminatory and unjustly burdensome.

Federal Tax Problems

The first problem affects only our natural gas companies. Under the existing tax structure they are being penalized in proportion to their increased contribution to the national fuel requirements. This appears paradoxical but is nonetheless unfortunately true. Natural gas marketed by public utilities in 1943 will show an increase of 58% over the immediate pre-war period. Most of this goes to war industries—75% of the additional sales being industrial. Since natural gas is an irreplaceable resource, it follows inevitably that the remaining life of existing reserves is correspondingly shortened. The present tax law makes no specific provision for this abnormal

depletion or its resultant increase in cost of gas delivered to market. On the contrary, the indicated unit net income of the natural gas industry, after taxes for 1943, is approximately 30% less than for the pre-war base period 1936-39. In order to continue furnishing gas in the ever-growing volumes required to meet demands of war industry, these companies are forced to increase sharply their expenditures for leaseholds, exploration, drilling, compressors, and pipelines.

It is most essential, therefore, that the tax law be modified to permit partial exemption from excess profits taxes commensurate with the accelerated rate of exhausting reserves, thus enabling these companies to maintain their credit and to finance the betterments so vital in meeting our national fuel needs. A special committee, representing natural gas companies, has prepared a very able brief, and is seeking remedial legislation. The form of relief requested is recognized in the present statute and has already been accorded to other natural resource industries such as timber and mining.

Certain other effects of the 1942 Revenue Act involve all privately owned utilities including our industry.

One result of the ever-mounting corporate Federal taxes is to increase greatly the disparity in the tax burdens carried by consumers of privately owned vs. publicly owned utilities. The privately owned utilities and their consumers are thus saddled with a handicap which already has reached an average of 25% of gross revenue for Federal taxes alone. Despite the manifest discrimination created by this tax situation, particularly where such utilities are engaged in competition, I fear that no relief may be expected until the need for additional national revenue overbalances resistance to taxation by advocates of the publicly owned utilities.

Another related problem, affecting public utilities generally, is the wide variation in the incidence of the excess profits tax upon rate of return, and in certain extreme cases, the depression of earnings to the point of credit impairment. While the excess

profits provisions of the Act were ostensibly devised to recapture war-created, and therefore *abnormal*, corporate profits, they have nevertheless gravely reduced the *normal* equity income of many utility companies. A recent analysis of the 1942 tax returns of 14 major gas, electric, water, and telephone utilities in California, after adjustment for non-recurring items, disclosed that the point of incidence of excess profits taxes ranged from 4.67% to 9.58% upon the depreciated historical rate base. Because of the 81% rate, this tax virtually confiscates earnings above the point of incidence.

That the law in its present form hits public utilities harder than other industrial corporations is shown convincingly by a recent analysis in which the 1942 common stock earnings of 10 of the largest companies in 9 industries were compared with the corresponding average earnings for the period 1936-39. The study included the following industries: electric and gas utilities, railroad, steel, oil, aircraft, automobile, chemicals, metals, and motion pictures. All industries except the public utilities showed substantial gains in 1942 over the base period, while the latter group declined by 28%, and only one company of the ten had increased earnings.

(Continued on page 457)

Curbs Delivery of Gas in Appalachian Area

DELIVERIES of natural gas to industrial consumers in the Appalachian area who can operate this winter at capacity with residual fuel oil were banned Nov. 1 by the Office of War Utilities of the War Production Board.

Tremendously increased demand for natural gas in the area, which takes in about 28 per cent of the nation's war production, has caused an estimated deficit of from 12,000,000 to 18,000,000 cubic feet of gas, according to J. A. Krug, director of OWU. Use of residual fuel oil will save approximately 100,000,000 cubic feet a day or 10,000,000,000 feet during the winter, he said.

This saving, coupled with general voluntary conservation measures, "may be enough to see the area through the winter without further restriction," according to Mr. Krug. The Appalachian area comprises New York, Pennsylvania, Maryland, District of Columbia, Virginia, West Virginia, Ohio and part of Kentucky.



J. French Robinson, Cleveland (center) discussing natural gas problems with Allan W. Lundstrum and Paul R. Taylor, deputy director and director respectively of the Natural Gas Division, Office of War Utilities, WPB

New Vistas for Natural Gas

By BURT R. BAY

President, Northern Natural Gas Co., Omaha, Neb.

THE past year has been an eventful one for all of us, Association and Industry alike. The loss of personnel to the armed forces has been staggering—many of our former workers have taken employment in other industries either because of higher rates of pay or due to the belief that the new employment would enable them to make a greater contribution to the war effort—and substantial numbers of key men have accepted part or full time assignments with various governmental war agencies where they are rendering a valuable service in the interest of the common cause. As a result of these losses, new faces are to be seen everywhere—in the field—in the plant—and in the office. Many of these new employees are mature in years—some are youthful—a few have some physical handicap, and of the total industry personnel, a substantially greater proportion than ever before employed are women workers. Whether new or old in point of service or wherever the assignment may be, individually and collectively the men and women employed in this essential industry are doing a grand job, which is evidenced by the growing contribution to the war effort.

Notwithstanding the fact that our industry is presently confronted with serious shortages of manpower and limited supplies of critical materials with which to develop new gas supplies and expand facilities, it continues to serve satisfactorily the millions of homes and business establishments dependent upon natural gas for the many uses the product is put to in its principal role as a servant of the people. Additionally, the demand for greater volumes of natural gas in war industries continues unabated and principally for this reason, it appears that the year of 1943 will mark up another gain of ten percent in the total volume of natural gas sales, which has been the order of annual gain prevailing since the outbreak of hostilities in Europe, when our country was awakened from its lethargy and proceeded to give some thought to this thing of attempted one-man world domination.

War Record of Natural Gas

Whether the gain is ten percent or more or whether we market during the current year three or three and one-half trillion cubic feet of natural gas is not so much the matter of moment or the measure of the industry's accomplishment—the factors concerning our business that really stand out and reflect credit to the men in this industry are those embodied in the record of performance during the war period. This record shows that the natural gas industry has not only continued to supply the essential needs of the eight and one-half million homes and business establishments using natural gas together with a substantial portion of the gas fuel requirements of almost two million additional customers who use mixed gas, but that it has furnished ever increasing quantities of natural

This outstanding address by Mr. Bay, Chairman of the A. G. A. Natural Gas Section, was presented at the Annual Meeting in St. Louis. It gives a penetrating and comprehensive picture of the war performance and future possibilities of this fast-growing industry.



Chairman Bay during the Natural Gas Meeting in St. Louis

gas for use in war manufacturing processes. The curve of this increase in the volume of natural gas delivered to industries has risen very rapidly during the last two years and it is not improbable that for the year of 1943 as much as seventy percent of the total volume of natural gas delivered to consumers, exclusive of field uses, will be used by industry.

Here too it will be found that many pipe line companies who sell gas to large volume consumers on an interruptible basis have increased their annual output without the use of new critical materials in any substantial quantity. Such increased delivery of industrial gas is evidenced in the higher annual load factor for all deliveries. This improvement in load factor directly reflects a substantial portion of the natural gas industry's contribution to the war effort.

Other factors have contributed to the ability of the industry to adjust itself to this new economy, born of war necessity, and thereby make ever greater amounts of natural gas available for war manufacturing with a minimum expenditure of critical materials. Some that might be termed control measures, promulgated by Governmental War Agencies, have aided by effectively stopping expansion of normal outlets for gas, thus reserving any excess transmission capacity for the purpose mentioned.

Another influence, deserving of mention, is the gas conservation pro-

gram. First initiated by the War Production Board and generously aided by the American Gas Association, it had the support of the industry this past year and we are now called upon to again lend assistance to this worthy effort. I say worthy because it is more than just a patriotic gesture—Experience has proved it to be a means through which the consumer can lend direct assistance to the war effort and do so without suffering serious inconvenience or discomfort—Experience also indicates that consumer cooperation can be had if the gas utility companies show the way, through the various media they ordinarily employ to get a message to their customers. If you are not already doing so, you are urged to give your support to this year's gas conservation program.

All of these factors are measures of the natural gas industry's accomplishment since the war started. They evidence the solid front of this industry in its support of the war program and they stand out as proof that our type of business is sufficiently flexible to meet the requirements of a growing market, despite a multiplicity of shortages in both men and materials.

Drain on Gas Reserves

As the war period extends month after month, new markets for natural gas continue to develop in various types of war industries. With these demands added to an already heavy draught upon reserves, there is concern in some localities over certain phases of our operations. This applies particularly to the production branch of the industry, where there is more than an implication that the drilling of new gas wells has not kept pace with the rate of withdrawals of gas during the last two years. This conclusion is supported in several ways. One evidence that is most noticeable even in gas fields where the reserves are substantial in nature, is the acceleration in the rate of drop in well pressures. Another is derived from the record of gas well completions where available data show that if drilling continues at the present rate throughout the remainder of this year, the total of new gas wells in 1943 will not greatly exceed sixty-six and two-thirds percent of the number drilled during the year of 1941.

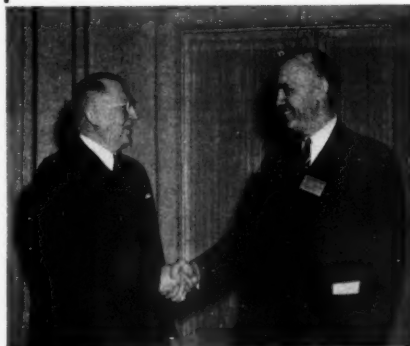
Even if drilling were increased to the 1941 total, there still would be little or no provision for the excess of present market requirements over the much lesser volumes of gas required during such preceding year.

Within recent months, allocations of steel have been made by the War Production Board which will provide for the development, gathering and delivery of substantial additional volumes of gas but assistance in a material way is limited to the few companies who are the recipients of such steel allocations. In addition, new gas pipe line projects of a major nature, designed to supplement middle west and Appalachian gas supplies, have been before certain Federal Agencies

for consideration, within recent weeks. All of these are steps in the direction of fortifying the industry so that it may continue to supply the gas needs of present consumers and new war plants but they do not furnish the complete answer to one overall industry problem which plainly compels acceleration of the current rate of gas development.

Another matter presently confronting the industry stems from the effect of recent Federal tax legislation. It is hard to believe that Congress, in adopting the present Corporation Income Tax measure had in mind that it would result in the present anomalous situation whereby many pipe line and producing com-

Industry's War Record Praised at Natural Gas Meeting



Burt R. Bay (right), Chairman, Natural Gas Section, congratulates his successor, R. E. Wertz

ACROSS section of the natural gas industry participated in the Annual Meeting of the American Gas Association in St. Louis, Mo., October 26-28 and heard their industry praised for outstanding war work at both general and sectional meetings. The annual business meeting of the Natural Gas Section took place, Tuesday, October 26, under the chairmanship of Burt R. Bay, president, Northern Natural Gas Co., Omaha, Neb.

R. E. Wertz, president, Amarillo Gas Co., Amarillo, Texas, was elected chairman of the Section for 1943-1944. R. H. Hargrove, vice-president and general manager, United Gas Pipe Line Co., Shreveport, La., was named vice-chairman.

The measure of the natural gas industry's accomplishment, Mr. Bay told the delegates in his Chairman's Address, is embodied in the record of performance during the war period. Indicative of the size of the job being done, he said that "it is not improbable that for the year 1943 as much as 70 per cent of the total volume of gas delivered to consumers, exclusive of field uses, will be used by industry." Mr.

Bay's address, which is a remarkable review of the industry's record during the year, appears on accompanying pages.

Major Alexander Forward, managing director, American Gas Association, fully supported the Chairman's high evaluation of the industry's war effort, pointing out that "right now natural gas is at its maximum of service to the American people and to the war effort. The spirit of the pioneer is still strong in this industry and the daring and resourcefulness so wonderfully displayed by a generation, part of which is still with us, have been called on to the limit during the past two years. Miracles of production and transportation have been achieved."

Another salute to the industry came from Ralph K. Davies, deputy petroleum administrator, Petroleum Administrator for War, Washington, D. C., who termed natural gas "oil's fighting ally." Mr. Davies set forth some of the major end uses of natural gas in the wartime program and described the activities of PAW. In respect to the latter he said: "The soundest move ever made was to provide for industry participation on a partnership basis." He spoke with pride of the work of the 50 members of the five district Natural Gas and Natural Gasoline Committees and particularly of the chairman, J. French Robinson, Burt R. Bay, N. C. McGowan, Robert W. Hendee, and William Moeller, Jr.

"The greatest factor today in natural gas conservation," Mr. Davies said, "is unquestionably the far-flung network of nearly 100,000 miles of gathering and transmission lines and its connections to thousands of fields. This year over three trillion cubic feet of natural gas will be put into pipe lines. This is so large a figure that it is difficult to grasp, but on a heating unit basis of 6,000 cubic feet of gas to a barrel of oil this volume is equivalent to approx-

panics who, in spite of the fact that they are marketing greatly increased volumes of natural gas, find themselves with reduced earnings and a growing construction requirement arising from these heavy withdrawals of gas. Another somewhat common result is that little or no opportunity is left to conserve cash from income as a cushion against post-war needs. While natural gas men do not ask or expect special favor in these times, it is generally recognized that if the industry continues to make the maximum possible contribution to the war effort, there is need for correcting existing tax injustices before they impair the ability of this natural resource industry to do just that.

So much for past performance and the present trend of matters relating to this industry. World events of recent months have been of such nature as to give rise to thoughts of what is to follow the end of this war. It is plain to be seen that the popular conception has reversed the old truism so that it now reads "in time of war prepare for peace." It is a hopeful outlook—one that offers opportunity for truly constructive thinking and planning. Whether or not this feeling is justified or is induced by over-optimism about the trend of the war or whether or not the road ahead is smooth or still rough and fraught with danger, I do not pretend to know, but I do have the fixed con-

viction that this is no time to relax our efforts and our post-war planning should not be permitted to interfere with our determination to continue to make the greatest possible contribution to the war program.

With due regard to what I have said, but in this popular vein, let us first think about the vast field in which our operations are conducted—the market for heat energy in this country. Whether we think in such terms or not, natural gas is one of several natural resources that have definite places in the scheme of supplying the heat needs of the populace and to a more or less extent, these products of nature compete for the market, one with the other.

Should we develop an estimate of the total annual heat energy requirement, based upon present rates of production, and express such output on an annual basis in terms of coal equivalent, it will be found to exceed one billion one hundred million tons. Of this total, the coal industry is expected to produce more than one-half of this year's requirement. The output of the oil industry will supply about thirty percent of the total need, and that of the natural gas industry between eleven and twelve percent.

From this it is plainly seen that our industry, important as it really is, serves only a small part of this vast market for fuel. This position of natural gas in terms of its relationship to the total fuel requirement of the nation will not change materially after the war, except as it is improved by our determination to continue to progress or is narrowed through our own neglect of existing opportunities. The potential possibilities for continued advancement are so tremendous as to make it seem that our future is measured only by our own efforts.

It requires no stretch of the imagination to say that in almost every community where natural gas is supplied there are possibilities for the further expansion of domestic and commercial cooking, water heating, and particularly space heating markets. Then if we think in terms of gas refrigeration and gas air conditioning as load builders of the future, there are almost limitless possibilities in both fields. Natural gas has

imately 500 million barrels of oil—a staggering figure still."

With respect to the oil supply, Mr. Davies declared that transportation had been replaced as the number one problem by shortage of the product itself. "I see no prospect of a sufficiency of oil itself—not if the military have reasonably well estimated their future requirements."

The next speaker, Grover T. Owens, of Owens, Ehrman & McHaney, Little Rock, Ark., riveted the attention of the industry on post-war planning. While decrying the need or possibility for establishing a formula, Mr. Owens averred that "intelligent business-like post-war planning is recognized everywhere as a need of the greatest first magnitude." He praised the record of American business in the war and called attention to the post-war problems of unemployment, taxation, and public relations.

Allan W. Lundstrum, deputy director, Natural Gas Division, Office of War Utilities, War Production Board, Washington, D. C., the concluding speaker, gave a valuable exposition of the substitution of natural gas limitation order U-7 for order



Col. M. W. Walsh and Clifton W. Sears—first honorary members of the Natural Gas Section

L-31, announced for first time at the meeting. He stated that there are no basic differences between the two orders but the changes made are largely for the purposes of simplification and clarification.

A feature of the meeting was the election of Clifton W. Sears and Col. Maurice W. Walsh as the first honorary members of the Natural Gas Section, thus recognizing more than 35 years of outstanding service to the natural gas industry. They were pioneers in the organization of the Natural Gas Association of America in 1906.

Annual dinner meeting of the Executive, Advisory and Managing Committees of the Natural Gas Section



A Silver Anniversary Bouquet

IT seems fitting to point out that this fall meeting marks the Twenty-Fifth Anniversary of the American Gas Association which came into being during 1918, through amalgamation of the American Gas Institute and the National Commercial Gas Association. Among those who are familiar with the record of this Association, there is the satisfaction derived from the knowledge that this body has carried on consistently through the years with singleness of purpose, ever the motivating influence—That purpose being to devote the energies and abilities of this union of gas industry representatives to those activities that would result in the most benefit to the entire Gas Industry and thereby make an ever greater contribution to all consumers of gas. The record of A. G. A. is such as to command the respect of all industry groups, and you may take pride in such fact for after all this is your Association and you make it what it is.

I am confident that you join with me in offering sincerest congratulations to President Bridge, Major Forward, members of the staff and the other officers of the American Gas Association on this Twenty-Fifth Birthday.

—Burt R. Bay at the A. G. A. Annual Meeting, October 26.

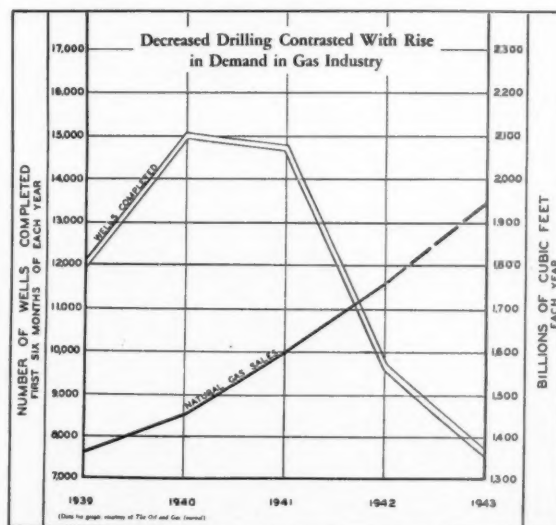
proved its right to be an active participant in the refrigeration field and it is particularly suited for use in connection with air conditioning because of its perfect adaptability to the purpose the name implies.

Touching more specifically upon post-war possibilities, one middle western natural gas pipe line company has recently developed a cross section of opinion among some thirty gas utility company customers, supplying approximately 400,000 consumers, as to the probable trend of sales for a five-year period following the conclusion of the war. The purpose of this survey being to determine probable construction requirements and to sample the thinking of these utility company executives concerning the future of their own operations. The data so obtained show an estimated growth of sales of gas for cooking and water heating purposes, over those for the year of 1942, amounting to 12.7 per cent for the five-year period or an average yearly increase of about $2\frac{1}{2}$ per cent. The estimated growth of heating gas sales for the entire period is 64 per cent of the 1942 experience, an average annual increase of 12.8 per cent of the total for such base period. The present average saturations of cooking, water heating and house heating customers in relation to total customers in these communities are ninety-two—fifty-nine and nineteen per cent, respectively.

While indulging in thoughts of what is ahead for natural gas, mention should also be made of the war

time evolution of the use of natural gas hydrocarbons in industries that are clearly separate and apart from the production, transmission and distribution of natural gas for fuel uses. Tremendous advances are being made in research and while much of the progress is a result of war necessity, new vistas are being opened disclosing new manufacturing processes which will outlast the war period. Skilled research chemists have shown that it is possible to rearrange the molecular structure of these hydrocarbons in a multitude of new ways and bring forth dozens of end products that include a variety of solvents, plastics, explosives, synthetic rubber and aviation gasoline. It is not improbable that companies in this in-

In this graph, the number of oil and gas wells drilled in the United States during the first six months of each year from 1939 to 1943 is shown by the double line. The single line represents the total sales of the natural gas industry of the country for the same years. (Reproduced from "Panhandle Lines")



dustry will find it to their advantage after the war to further expand and broaden liquid hydrocarbon manufacturing plants and processes because of the new uses and rapidly growing market for such products.

All of this leads me to conclude that I am not overly optimistic when I say that there are excellent possibilities for the continued growth of the natural gas industry in future years. I say this in the face of the fact that under existing war conditions, the industry is confronted with more regulations and restrictions than ever before in its history—more of a tax load than any of us ever dreamed of having to meet—and more problems of various kinds that seem to hinder the orderly conduct of our form of enterprise. I say it because of my belief in our industry and the worth of its service to the masses of our people—my hope that many presently existing restrictions upon business will be relaxed with the passing of time and my conviction that the people of this nation, pulling together as they are, will hasten the conclusion of the war and the coming of peace will bring order out of the chaos of war and with order will come new understanding and new opportunity. As to the general concept, I think of no more fitting expression than a bit of philosophy attributed to William Allen White "I have seen yesterday—I love today—I am not afraid of tomorrow."

Post-War Preparation... Laying the Groundwork for Gas Industry Development



A. M. Beebe

FOR reasons that I believe will become self-evident, there is no doubt but that our industry in the post-war period will be facing competitive factors, the like of which we have never seen before,

some of which are exceedingly favorable, but also some of which can be of such a critical nature that they may threaten our very existence unless we are properly organized to meet them.

I do not need to tell you that for us to successfully serve large mass industrial heating markets depends on the maintenance and broadening of the backbone of our industry—i.e., the Domestic Market including house heating. That this is vital is evidenced by the fact that in the manufactured gas branch of the industry 70% of the sales and 80% of the revenue comes from the domestic load, while in the natural gas branch of the industry it provides 55% of the revenue. This load carries our basic costs and must be preserved.

We have many fundamentals as to why our industry can best serve that domestic market, whether you consider it from the point of view of the quality of service rendered to the customer; the conservation of national resources; employment of labor; or basic economics to the customer and company. However, in an aggressive post-war fight for markets, these all may be swept aside, by reason of the tremendous coordinated forces, both in merchandising and advertising power which the electric industry will be able to present which, together with their thirst for loads to offset their drop

* General Superintendent, Gas Department, Rochester Gas & Electric Corp., Rochester, N. Y.

By A. M. BEEBEE*
Chairman, A. G. A. Post-War Planning Committee

in war loads, certainly gives us something to think about. These conditions are to be thoroughly respected as a result of a physical set up of two large companies which play such a dominant factor in the electric industry, because of the coordinated enterprise which they are capable of developing.

Our objective should be to have our forces so thoroughly coordinated and organized at the time the Blitz starts, that we can meet the enemy on his own ground, with his own method of attack.

We must cease thinking in terms of ranges, water heaters, and house heating units by themselves but rather in the combined service where each appliance becomes a defender of the other and the benefits of added loads reduces costs to the customer. It is this fact which makes house heating assume new importance, and why we are thoroughly studying the subject, so that this business which will be knocking at our door can be accepted profitably. The public will demand gas for house heating and we must determine its true costs, so that rates can be adjusted, if necessary, to make it profitable and thereby assure continuance of our present basic markets.

Highlights of Mr. Beebe's address before the Annual Meeting. This address served to introduce and lay the groundwork for important Post-War Planning subcommittee reports which gave the delegates first-hand knowledge of the industry's far-reaching program. These reports will be brought to the attention of the industry in early issues of the MONTHLY.

Fortunately, at the present time, due to the cessation of appliance manufacture, we have a golden opportunity to coordinate and consolidate our efforts and to improve our product, and it is in pursuance of that theme that our post-war program is rapidly developing.

It has been encouraging to our committee to see the growing unanimity of support of this thinking in our industry, which bids well for the future.

With the tremendous pent up spending power and the great wave of new construction and remodeling which will inevitably take place in the post-war period, it is easy to see we have a great opportunity ahead, if we don't allow someone else, equally hungry for the opportunity to brush us aside.

But fortunately we are in a position to do something about it and for these reasons our committee has recently been bending its efforts in the three following directions.

1st. To attempt to obtain industry-wide support as to the needed changes and types of equipment that the manufacturers should have available. Likewise this effort should seek to reduce to a minimum the number of models required, as well as individual company requirements, so that our equipment suppliers can reduce their costs of manufacture to a minimum, and thus be able to give us high quality equipment to insure maximum consumer satisfaction and at the same time at minimum cost, which is so necessary for meeting a competitive market. This assignment is a real task and Mr. Rosenkrans' untiring efforts in that direction are worthy of commendation.

2nd. As an industry, we should unite in a move to consolidate our promotional and merchandising activities by endeavoring to get all utilities

to agree that they will either actively merchandise themselves, or will assume responsibility for consolidation of dealer activity in their area, or both, so that a united sales program can be developed.

3rd. In order to implement the above objectives, there is great need for strengthening and broadening our National Advertising Program.

It is indeed encouraging to see how unanimous has been the support already thrown behind these three objectives. It is this fact which has caused our committee to feel enthusiastic as to what can be achieved.

As steps in this direction, the following has already been set in motion.

(a) Our committee has recommended to each company that it set up a post-war group, since obviously our committee cannot do a complete job of post-war planning, particularly at the utility level. By such means, however, we hope to keep the utilities promptly in touch with our findings, particularly from an industry wide level, which can be a set of valuable tools with which to plan their own activity. In addition, we hope to be able to achieve through them the support of the various policies which, for the good of the industry, should be universally adopted.

Coordinated Kitchen Equipment Plan

(b) We have recommended to the A.G.A.E.M. that they give consideration to the development of what we call the "Coordinated Kitchen Equipment Plan," to the end that the gas industry can be in a position of offering to the public a complete Package Kitchen, which will include cupboards, sinks, ranges, refrigerators, dishwashers, water heaters, etc.

Such a plan envisions that all requirements needed in a kitchen can be of proper dimension and style to fit one with the other to facilitate either a complete kitchen at one time, or to be purchased piecemeal, as the customer can afford. It would also consider and solve the means of adequate kitchen ventilation, so that we can excel all others in the development of the truly clean, cool, odorless kitchen, toward which we have some inherent fundamentals that are strongly in our favor, if properly coordinated.

The small thoroughly insulated house of the future, together with year round air conditioning which we are now in a position to offer, requires that this subject of kitchen ventilation be definitely attacked. We are fortunate that we are in a position to make our waste heat from kitchen equipment serve a dual purpose, of either reducing the cost of house heating and humidifying, to broaden our gas heating market; or when ventilation is needed, the

waste heat can become the means for creating the necessary draft to provide adequate ventilation, thus catching the cooking odors at the source and moving a minimum of warm air from the house. By proper design we can truthfully develop the gas kitchen to fulfill the slogan—"Cooler in Summer—Saves Heat in Winter—and Clean the Year Round."

I wish I had more time to develop this subject further, but suffice it to say that work along these lines has been carried to a degree that has produced surprising results.

Some million or more homes per year will be built in the post-war period, together with a great wave of modernization of old kitchens, and builders will seek the equipment which can be assembled with the least complications.

By a Coordinated Kitchen Equipment Plan many intriguing benefits appear on the horizon. By bringing into this plan the makers of cabinets, dishwashers, sinks, etc., we broaden the number of sales outlets and also advertising coverage, and thus have many friends to help the program along. We have long envied the united and consolidated sales and manufacturing activity of the electric industry. By such a program as we are here discussing, it should be possible for us to achieve all the benefits which have accrued to our electric competitors, and in addition for us to gain the advantage of allied support of other industries in our objectives.

The support that this thinking has developed has been amazing to our committee. Already it has caught the fancy of some large kitchen equipment manufacturers, and some important national sales outlets. Retail sales outlets, such as the National Retail Furniture Association, have also expressed interest in our program and moves are on foot that may be mutually beneficial.

(c) Our committee has given a great deal of thought to the matter of research which our industry should be fostering and of which you will hear more later on. In the meantime, we have gone on record before the Public Land Committee of the Senate in support of the proposed work of the Bureau of Mines looking to the upgrading of coal into hydrocarbons, which can be very helpful to our industry when shrinking oil reserves may reach a critical situation.

Such a program fits in very nicely with some of the thinking of our committee. The coal reserves of this country are tremendous and there will come a time when we must look to coal as our basic source of energy. In the past, the use of coal in carbonizing plants has been a sound and profitable means of upgrading coal, since the resultant products, coke and gas, shared the costs of conversion. However, as we develop larger heating loads to gas, we tend to produce coke in quantities greater than the market can absorb, and we tend to compete with ourselves.

If, on the other hand, we could upgrade coal into oils and gas, we can achieve the benefits of shared conversion costs by two products, that do not compete with each other, and which have an unlimited market as far as balanced output is concerned. In other words, instead of bringing coal to a community to make gas and coke, we feel that the plant of the future will bring coal to a community to make gas for the heat requirements of stable loads, and oils for the mobile loads (automobile and airplanes) each fuel being the by-product of the other. The basic aim of our industry should be the making of the energy in coal available in ashless form, in the most convenient forms needed for society, which is gas distributed in pipes, for non-mobile heat requirements, and in the form of liquid fuels for motor and airplane use. Any research that is in keeping with these objectives should have the support of the gas industry.

Our committee has taken recognition of the part that our industry plays in our system of society, and by means of its contacts with the post-war groups of the various utilities, hopes to be helpful in getting the industry generally to adopt its responsibility in the general post-war problems, so that when the proper time comes it cannot be said that the gas industry was found wanting. To that end our committee has passed the following resolution:

"Be it resolved that the industry give serious consideration to meeting its responsibility of carrying its share of the national employment needs which are likely to prevail in the Post-War period, as developed by the Committee of Economic Development, and that all possible steps should be taken by every unit of the industry in preparation for meeting this responsibility."

In conducting our various surveys from time to time, we are endeavoring to get the judgment of at least 70% of the industry before making a recommendation, so that when it appears before the industry, it will have the backing of a large portion of the industry. Such a basis, we feel, will assure industry-wide support.

We recognize the difficulties of achieving cooperative enterprise to the extent which is here outlined, but we feel sure that the common good will justify its adoption. We must ever keep before us the fact that we are giving our lives and entire energy in support of the principles of Democratic procedure.

Timetable of Action . . . A Blueprint for Gas Appliance Sales in the Post-War Period



Frank H. Adams

IT would be a fairly simple matter to discuss gas appliance manufacture and promotion after the war if we could see today any more clearly than heretofore the end of all war on final "V"

Day and the environment in which business would operate. But I am not so concerned today with the long range, after "V" Day problems of manufacturing and distribution, as I am with *our ability to recognize the periods for which we must plan and the early completion of "plans of action" for these periods as they arrive.*

Pattern of Transition

I'm more concerned now with what action we as an industry will take when Hitler is beaten than I am in what we will be doing six months after the war with Japan ends. I am more interested in our conception of the basic problems present today and with which we must deal today and in the various periods of transition from war to peace than I am in a modified, polished-up, pre-war version of distribution, or even the most complete, well-conceived plan that can function successfully only a year after final peace is won.

With the fall of Italy we got a clearer conception of the pattern of transition. To some of us it brought a better realization that our postwar conversion problems could start even before victory over Hitler—that it was unlikely that this war would end on a single "V" Day—that long range plans, although essential, would not of themselves meet the need for a quick, effective, smooth transition to peace.

*Mr. Adams is chairman of the A.G.A.E.M. Post-War Planning Committee.

By FRANK H. ADAMS*

*Vice-President and General Manager,
Surface Combustion, Toledo, Ohio*

time activities. It brought into relief the various periods for which we should plan, the necessity of bracketing definitely the development and promotional activities for each period and the need of having a plan of action ready for application not on the day war ends but on the day materials are released and limitations lifted.

Everyone here accepts planning as essential. Most of us have proceeded

Digest of Address before A. G. A. Annual Meeting

to a greater or lesser degree within our own companies. But it is not the importance of planning itself I wish to stress—that would be anti-climax. It is the need of having completed our timetable of action and knowing what and when and how these recovery plans are to be set in motion that I wish to emphasize today.

To wait until the war ends before completing post-war development and marketing plans or taking definite action to reestablish distribution, even though manpower and opportunities may be limited, may not of itself have any direct effect on earnings, or the ultimate position the company would occupy in long range recovery, but to ignore the need of taking immediate action as soon as conditions permit would slow down reconversion, retard recovery, create unnecessary, though temporary, unemployment. Our responsibility to free enterprise is in doing everything within our power to bring about a smooth, quick change-over with as little interruption as possible in our economic progress.

I fully appreciate that post-war planning to be successful must look for its

development and direction to at least two main divisions of a company. The responsibility of long-range operating and economic environmental planning must of necessity remain the problem of top management. So must the specific orders, or the go-ahead be given to develop plans for certain periods according to the needs of your own timetable. The development of merchandising plans must of course be the responsibility of Sales Divisions. Having spoken of the peripheral factors, let us consider those most immediately applicable to our sales activity.

Starting Points for Action

I am not now presenting a complete individual plan, nor one bearing the approval of the A.G.A.E.M., for Gas Appliance Manufacture and Promotion After the War. It is my opinion of what I believe to be three essential and important things for us to do as soon as we get back home to our desks—three starting points for the development of immediate down-to-earth action plans:

First: *Set up a tentative timetable.*

Second: *Start the job of customer conditioning.*

Third: *Complete as soon as possible your sales plans for the post-Hitler, pre-"V" Day period.*

Before we can definitely establish a timetable or determine the action to be taken in each of the transitory periods we must make some assumptions about the war and the peace. So, let us for the purpose of blueprinting the plans for action, make these assumptions:

1. The United Nations will for the present concentrate on the defeat of Germany. That accomplished we and our allies will drive for an early victory over Japan.
2. Total war will continue against both Axis partners until we obtain unconditional surrender.
3. Germany will be defeated at some time in 1944.

4. There will be an interim period of not less than one year and not more than two years between the fall of Germany and the defeat of Japan.
5. Prior to and during this period some material will be released for the production of consumer goods. The demands of heavy industries for war materials will have declined. Even if we continue to Lend-Lease materials for the reconstruction of Europe, there should be a surplus of iron, steel, and other materials required for the manufacture of gas equipment.
6. During the Post-Hitler pre-"V" Day period we can not count too heavily on the lifting of all gas limitations, the resumption of residential construction, adequate manpower nor proper psychological conditions, a sufficiency of new gas appliances, and equipment to justify an all-out sales activity, or the establishment and setting in motion of permanent sales plans and policies.

On these assumptions our sales departments might establish a timetable of action and some of the most important merchandising steps to be taken in each period, as follows:

1. "Get-Set" Period—1943-'44

Start the job of customer conditioning:—make gas equipment and service the No. 1 item on your customers' post-war shopping list.

Survey the dealer situation to determine how many will be available and how they may be rehabilitated.

Teach future buyers to be realistic about post-war products. Start a counter "dream merchandise" educational and publicity activity. Make people realize that you can't get all the new ideas right away as soon as Hitler is licked, or even when Japan is beaten; that new materials and wartime technological developments will be utilized as soon as practical, but the "bugs" prevalent in most new products must be taken out.

This does not remove the obligation nor the necessity of being progressive, alert to the adaptation of new materials, or technological developments. We must be realistic and convey this realistic impression to our public. The exponents of dream merchandise propaganda are now defending their position on the theory that getting people to wait for new radically different products will hold back "V" Day lust to buy and serve as a hedge to post-war inflation. Nothing could be more unsound in its conception. Hes-

itancy to buy—to hold a deferred market in deferment—will destroy the very foundation on which we must base a return to civilian production and full employment. And if the public does expect too much, this impression cannot only retard the purchase of gas equipment but hold up recovery, encourage purchase of more easily modified or non-mechanical products, thereby limiting the post-war sales opportunity of the gas industry.

This Get-Set Period is the time to complete Post-Hitler pre-"V" Day merchandising plans. They may have no permanence but will serve as a worthy expedient to meet temporary conditions. Your timetable may have to be changed due to unpredictable conditions and factors beyond control, but the practicability of being prepared will not have been altered nor the necessity of quick action eliminated. Unless your sales plans are complete and approved, valuable time will be lost in the following crucial period.

2. Go-Ahead Period—Defeat of Germany, 1944

Time to put your Post-Hitler sales plans in motion for the retention of favorable marketing position; time to establish bridgeheads for an all-out peacetime activity; time to put a sales task force in the field, made up of men and women now employed within your own organization, to establish contacts on best prospects taken from equipment and consumer opinion surveys now being made. This task force will crystallize consumer preference, secure orders and commitments for equipment as soon as it is available, build a backlog of prospects on which new salesmen employed from the ranks of our armed forces may call after "V" Day. For a more complete outline on which to establish this plan, I refer you to "The Return to Selling," in the October *Digest of Marketing*.

3. The Acceleration Period—Defeat of Japan—1945 or 1946

Beginning of another period of readjustment, the setting in motion of plans and principles which will in the year or two following become established long-range activities. These will carry us through to the

4. True Peacetime Period—

When peacetime selling conditions

can be accurately determined, definite, long-range policies adopted, permanent, hard-hitting sales organizations operating, outstanding equipment changes realized, and new sales records established.

This outline of the steps to be taken in preparation for the job immediately ahead of us is not sufficiently broad in its concept for application to meet the marketing period after "V" Day. But if these suggestions are put into effect they will help us to reconvert rapidly, utilize our present and available manpower, establish a preference for our goods and services, and help us to play our part as good citizens in speeding national peacetime recovery.

With each new military success the time grows shorter when aggressive action will be necessary. Unless simple, practical steps are taken now, we may come to the end of the war with Germany, and perhaps even to final "V" Day without a definite plan of action and our decisions and actions taken then will be matters of expediency.

We need action plans now.

Industry needs action plans now.

America needs action plans now.

When these are completed and coordinated, there will be no fear of peace.

Standard Oil Co. Cuts Natural Gas Ties

STANDARD Oil Co. of New Jersey is disassociating itself from five natural-gas companies it owned and they will hereafter be operated by Consolidated Natural Gas Co. of New York, employees of Hope Natural Gas Co. were told November 5.

Hope employees from six central West Virginia counties heard Frank H. Lerch Jr., president of newly-formed Consolidated, outline operation plans for the five companies which process natural gas in West Virginia, Pennsylvania, Ohio and New York.

The companies involved are Hope, which operates through northern West Virginia and as far south as Cornell Station near Charleston; East Ohio Gas Co., of Cleveland, with holdings in eastern Ohio; River Gas Co., of Marietta, Ohio, also in eastern Ohio; New York State Gas Co., of Pittsburgh, operating in northeastern Pennsylvania and New York, and People's Natural Gas Co., of Pittsburgh, holdings of which are mostly in western Pennsylvania.

All of them for years have been subsidiaries of Standard Oil of New Jersey. Hope's physical properties in West Virginia were assessed at \$58,000,000 last year.

Foundation for Sales... Meeting Wartime Restrictions with an Eye to the Future



Mr. Mettenet in action

By F. X. METTENET

Vice-President, The Peoples Gas Light and Coke Co., Chicago, Ill.

1,100,000 "What You Should Know About Food"
800,000 "How To Get the Most from Your Gas Service"
900,000 "Canning"
500,000 "Hot Water on the Home Front"

3,300,000

We have mailed to each gas refrigerator user a conservation booklet "How To Get the Most from Your Servel in Time of War" to help them maintain and service their own refrigerator. We have a separate conservation booklet on gas ranges "The Gas Range Book."

Certainly all gas companies are doing this type of job with the same zest and spark of their former selling jobs.

What About the Future?

So much for our present selling. What about the future?

Are we analyzing our markets so that we know where to attack?

Where are our future water heating prospects?

Are we now contacting the plumbers and heating contractors letting them know what our future sales policy will be, before our competition does it?

In Chicago, we are now making these contacts and we know what and where the market potential is for water heating.

What type and size gas ranges do our customers want?

We are conducting a gas range survey to determine what the market wants in the "Gas Range of the Future." This survey will be completed in about thirty days, and the results will be sent to the gas range manufacturers.

How about our future refrigerator and space heating sales policy?

What future general sales policies should be adopted?

- (a) 100% Dealers
- (b) 100% Company
- (c) Middle of the Road

If you adopt the 100% dealer plan, are you doing this because it is the easier way out or because it will flow the maximum number of load building units into your territory?

We talk about gas appliance manufacturers' post-war cooperation.

How can they cooperate if we have no definite post-war sales policy?

How can they make their sales plans?

How can they help you develop your markets?

We must therefore *now* have a definite general sales plan, so that they and we can develop the market to the fullest extent.

Our fundamental job therefore is to see to it that the maximum number of gas appliances flow into a free market through the normal trading channels, and for maximum results this can be accomplished by the coordinated effort of gas appliance dealers with the gas company taking the promotional leadership and acting as one dealer in the picture.

Upon this fundamental Peoples Gas has developed over a five-year experimentation the following future policy.

Basically, this policy is to encourage the widest possible distribution of gas burning appliances through the normal trading channels in the Chicago market. Up to 1941 we had developed some 1300 dealer outlets for gas appliances. The company retail department and the Apartment House Section are one of such outlets.

The result of this development is

WHAT do we mean by War Time Sales Restrictions? Does this mean that we should atrophy? Dry up? Certainly we have no appliances to sell, but we have many other approaches to sell gas for the future.

What are some of these approaches? We must be alert for anything to hasten victory so that our industry will breathe and live to that end. We must be knitted closer to civic activities not to lose contact with our customers with help and assistance. We have plenty of sales work in the fields of:

- Nutrition
- Canning
- Care and Use of Appliances
- War Bonds
- Gas Conservation
- Red Cross
- Community and War Funds, etc.

Peoples Gas has distributed by direct contact during the past eighteen months the following number of booklets:

Address before Residential Section, American Gas Association Annual Meeting, St. Louis, Mo., October 26-28, 1943.



to give customers the opportunity to buy wherever their preference dictates, —almost every buying section of the city being served through one or more such outlets. This policy keeps the market open and free-flowing and has resulted in steadily increasing sales and improved public relations.

Many factors enter into the practical operation of this policy, the more important of which are as follows:

Company Leadership

Company leadership in respect to appliance research, product development, quality, sales promotion, and trade practice is essential if consumer acceptance of gas fuel is to be maintained and extended. The acceptance of gas fuel in the domestic field is utterly dependent upon the character of the equipment through which it is utilized. It is not sufficient that the appliance be attractive; in addition, the combination of fuel and appliance must deliver a more practical, efficient or economical service than some other competitive combination.

Company load building policies and trade practices must be such that they inspire respect from the normal channels of retail trade distribution. Wide



Cover and inside page of booklet used to determine what the public wants in the Gas Range of the Future

distribution of appliances is stifled if the company either through price, terms, or through installation practices makes it unprofitable for the retailer to do business. In fact, in self-defense, the dealer is likely to turn to competi-

Year	Active Manufacturers	Dealer Outlets	Total Range Sales	Company Sales	Per Cent Company to Total
1937	16	59	69,300	6,600	9.5%
1941	32	492	129,000	9,000	7.0%

tive items wherein there is a satisfactory margin or profit.

New Markets

In new markets sales promotion and appliance selling is primarily the function, obligation and burden of the utility. The company derives its income from gas sales. The retail merchant derives his from the profit he makes from over the counter sales. With few exceptions, the retail merchant has neither the capital, desire or ability to promote new markets for the sale of gas.

It follows, therefore, that in the primary development and promotion of a new service or appliance, the money, manpower and sales become a function of the company. In such cases trade practice is not important and

does not become so until consumer acceptance begins to be established.

As consumer acceptance materializes so should company activity in direct sales lessen and sales flow to normal channels of distribution, such as appliance dealers, hardware and furniture houses, department stores, plumbing and heating contractors, etc.

Normal Appliance Distribution

The question may be asked, "Why, if you have customer acceptance and dealer outlets to take care of their needs, is it necessary for the company to continue direct appliance sales?" Experience has shown that should the utility relinquish even temporarily their direct activity in the promotion and sale of a particular appliance, the quality of merchandise offered for sale deteriorates and the volume of appliance distribution decreases.

In the years 1934 and 1935, the company's direct sales activity in the gas range market was negligible; in fact, in 1935 the company's sales were only 1200 units. In the period 1937 to 1941 inclusive, the company's activities steadily increased and the following figures tell their own story:

Manufacturers have repeatedly stated that nowhere is there a better market for quality appliances than that which exists in Chicago, and further that this quality market has only been made possible through present company policies and sales activities. For example, the quality of company gas range sales has increased from an average of \$106 in 1937 to an average of \$130 in 1942. These results indicate that the type of cooking appliances sold in Chicago are of great assistance in setting cooking standards and safeguarding the cooking load from a long-range view, as this leadership increases the profit of the dealer and quality of ranges sold by them.

Although experience has demonstrated that even in a market having wide consumer acceptance, company selling activity must continue. It is

essential that in its selling the company maintain and follow high standards of trade practice. In fact, it is preferable that the company standards in respect to price, terms, quality, etc., be more stringent than normal rather than below normal.

Leadership in and maintenance of price and quality are of tremendous importance. Any policy of price cutting or of selling sub-standard merchandise will inevitably result in disaster. The dealer in self-defense is compelled to buy and offer for sale appliances of poorer quality and shorter mark-ups. The market eventually becomes disorganized and competitive equipment, whether it shows a reasonable profit or not, is very likely to be offered for sale in preference to gas equipment.

Dealer Promotion

Dealer promotion and information must be carried on continually so that these outlets are kept informed, not only in respect to all phases of company sales activity, but also in respect to appliances, their sources of supply, markets, and the desirability of selling quality merchandise.

In 1941 there were 1226 dealer

outlets; some 492 of these were in the range business; 476 plumber-dealers; 208 heating contractors; and 50 gas refrigerator dealers. All of these dealers are customers of the company and to a large extent the people with whom they do business are customers of the company. The good will and respect of the dealer for the company or the lack of it is inevitably reflected in the attitude of our other customers with whom he does business.

In recognizing that the retail dealer is the logical outlet for the major part of those appliances having a consumer acceptance, it follows that it is essential that the Sales Department keep these dealers thoroughly informed in respect to the availability of equipment. We must bring to their attention the market for and the profit in the sale of gas equipment. We must act as a liaison between manufacturer and dealer to keep the manufacturer informed of profitable outlets and the dealer informed of sources of supply of satisfactory equipment. And finally, we must see to it that these dealers have a high regard for company leadership and that differences of opinion or dissatisfaction on their part be fairly and adequately settled.

Architects and Builders

Architects, engineers, builders, and contractors and all others having to do with new construction must at all times be kept informed on all matters having to do with gas equipment, the proper selection for a particular use, sources of supply, and methods and standards of installation.

Although the direct appliance sales of the department are almost entirely confined to old buildings, it is of primary importance to the company that we are at all times quickly and accurately informed of all new construction projects in the domestic market. It is of equal importance that those people having to do with specifying, purchase or installation of gas equipment be adequately informed not only in respect to mains and services, but also in respect to the selection of the proper equipment for the job, the source of supply, and those methods and stand-

(Continued on page 46c)



Booklets which The Peoples Gas Light & Coke Company has distributed to its customers by the thousands

Association Honors...Awarded Individuals and Companies for Outstanding Achievements

Wins Industry's Highest Honor for Directing A.G.A. War Activities

ERNEST R. ACKER, president of the Central Hudson Gas & Electric Corp., Poughkeepsie, N. Y., was doubly honored by the gas industry at the Annual Meeting of the American Gas Association in St. Louis, Mo. He was elected president of the Association and received the Charles A. Munroe Award for having made the most outstanding recent contribution toward the advancement of the gas industry. This is the first time in the history of the national association that any individual has received both honors in the same year.

Highest recognition within the gift of the Association, the coveted Charles A. Munroe Award consists of a substantial financial acknowledgment and engrossed certificate. The first such award was made in 1929.

Arthur F. Bridge, retiring president of the American Gas Association and vice-president and general manager of the Southern Counties Gas Company, Los Angeles, made the presentation at a general industry luncheon October 28. In presenting the award, Mr. Bridge said:

"Mr. Acker has unselfishly and unstintingly served the gas industry and the American Gas Association as a director, chairman and member of many important committees, as its treasurer for several years, and, during the past year, as vice-president and chairman of the all-important Committee on War Activities. In the latter capacity he has sacrificed personal comfort, time and energy in his efforts to look after the interests of the gas industry to the end that we might give our best toward winning the war.

"It is indeed a pleasure and a privilege for me to present the Charles A. Munroe Award to Mr. Acker. A pleasure because I count the recipient as a friend. A privilege for he receives the award, at least in part, in recognition of accomplishments which contributed in no small measure to whatever success my administration has achieved."

The 1943 award was made by a committee composed of Frank H. Lerch, Jr., President, Gas Companies, Inc., New York, N. Y. chairman; George S. Hawley, President, Bridgeport Gas Light Co., Bridgeport, Conn.; and James F. Pollard, President, Seattle Gas Co., Seattle, Wash.

The recommendation was approved by the Association's Executive Board.

Mr. Acker has served as vice-chairman of the Commercial Section of the American Gas Association in 1929, chairman of the section in 1930 and member of the advisory council, 1931. In 1938 he became treasurer of the Association serving in this capacity until 1942 when he became vice-president. He has acted as chairman of the Committee on War Activities from January 1942 to the present time.



President Bridge presenting the Charles A. Munroe Award to Ernest R. Acker during the Annual Meeting. Mr. Acker was also elected President of the Association

Meritorious Service Award Presented to Marshall for Heroic Action



Raymond Marshall

A. G. A. Meritorious Service Award for having performed the most outstanding meritorious act in the gas industry during the past year. Presentation of the award was made by the Association's president, Arthur F. Bridge, vice-president and general manager, Southern Counties Gas Co., Los Angeles, at a general industry luncheon at the Jefferson Hotel.

Mr. Marshall was so singularly honored for risking his life in coping with a serious situation which threatened gas service to Neosho and a large Army camp nearby. On Tuesday, May 18, 1943, Shoal Creek, ordinarily small enough to walk across, due to excessive rainfall, turned into a raging torrent a half mile wide and washed out a four-inch lateral pipe line. Gas service to the city of Neosho and Camp Crowder was in imminent danger of com-

plete shutdown unless the gate valve was closed.

Against the advice of others, Mr. Marshall obtained a rowboat and rowed after dark across the dangerous current of the creek. He was carried downstream by the force of the current, missing his mark several times, and being obliged to row through the tops of tall trees lining the opposite bank. Finally, he reached the valve and, while virtually exhausted and standing in water up to his neck, made the shut-off.

The supervisor of gas properties in that area stated: "This was not Mr. Marshall's job, but he showed a remarkable spirit of willingness to take care of any emergency connected with our business. There was great personal risk involved and I doubt if I would have allowed him to take the chance had I known of it."

The American Gas Association Meritorious Service Award is awarded by the Executive Board upon recommendation of the Accident Prevention Committee. It consists of a substantial financial acknowledgement and certificate. It was made possible by the generosity of the late Walter R. Addicks, senior vice-president of the Consolidated Gas Company of New York (now Consolidated Edison Co. of New York, Inc.).

Mr. Marshall has been employed as service man for The Gas Service Company at Neosho since 1937.

McCall Home Service Awards Made at A.G.A. Annual Meeting

WINNERS of the 1943 *McCall's Magazine* awards for outstanding contribution to the advancement of better living in the home, through the promotion of gas appliances and equipment, sponsored by *McCall's Magazine* and administered through the American Gas Association, were announced October 28 at the annual meeting of the association in St. Louis.

Flora G. Dowler, home service director of the Manufacturers Light and Heat Company, Pittsburgh, Pa., was awarded the first prize of \$100 in War Bonds and stamps plus an engraved plaque. Second prize of \$50 in War Bonds and stamps and a framed illuminated parchment went to Joie Kammer, home service director of the New Orleans Public Service Inc., New Orleans, La. Third prize of \$25 in War Bonds and stamps and a framed illumi-



Flora G. Dowler



Joie Kammer



Florence Matheny

nated parchment was won by Florence Matheny, home service director of Southern Counties Gas Company, El Monte, California.

Directors of home service departments of gas utility companies here and in Canada were invited to compete. Awards were made on papers of 2000 words or less submitted by entrants covering the aims of the home service department, the training of personnel and sales people, community activities engaged in, and increase in scope of home service activities, particularly in relation to the war.

Miss Dowler's winning paper told of the new war program built almost overnight, and being carried out by the Manufacturers Light and Heat Company's Home Service Department, to meet the new wartime conditions in their homes and factories. Besides the usual cooking schools and range and home calls, to maintain or create better public relations between the company and its customers, new courses in nutrition were given, through the Red Cross, to schools, women's groups, parent-teacher associations and industrial groups, over a radius of thousands of square miles, teaching them how to cope with wartime food problems. This work was carried out despite a severe shortage of workers and without benefit of cars.

Besides aiding Red Cross canteens on nutrition, the department also helped bolster blood banks and when residents of three towns in the Ohio River Valley were overwhelmed by the disaster of the 1942 flood, the department served the homeless many hundreds of meals.

Judges for the *McCall Magazine* Awards were R. E. Williams, Binghamton Gas Works, Binghamton, N. Y.; R. B. Denhardt, Central Hudson Gas & Electric Corp., Newburgh, N. Y.; R. A. Malony, Bridgeport Gas Light Company, Bridgeport, Conn.; W. D. Williams, Public Service Electric and Gas Co., Newark, N. J. and R. A. Gordon, Washington Gas Light Company, Washington, D. C.

A. V. Smith Wins Beal Medal for Technical Contribution

HIGHEST technical recognition in the gas industry was conferred on A. V. Smith, consulting engineer of Philadelphia, Pa., when he was awarded the Beal Medal during the Annual Meeting of the American Gas Association in St. Louis, Mo. Mr. Smith received the medal for contributing the best technical paper to meetings of the Association throughout the year.

Presentation of the award at a general industry luncheon was made by Ernest R. Acker, president, Central Hudson Gas & Electric Corp., Poughkeepsie, N. Y., representing the family of the late W. R. Beal who established the award in 1897. It consists of a bronze medal and substantial cash payment.

Mr. Smith was honored for a paper on "Cathodic Protection Interference" which he presented at the Distribution Conference in Cincinnati, Ohio, April 29-30, 1943. In this paper, Mr. Smith made a comprehensive and valuable contribution to the problem of cathodic interference. He presented a method of protection by which harmless electric currents are superimposed on piping systems to offset harmful currents. His complete paper was published in the October issue of the A. G. A. MONTHLY.



A. V. Smith (right) receiving the Beal Medal from Ernest R. Acker, the donor

The Beal Medal Award Committee was composed of D. H. Hartson, Equitable Gas Co., Pittsburgh, Pa., chairman; Harold L. Gaidry, New Orleans Public Service Inc., New Orleans, La., and Charles F. Turner, The East Ohio Gas Co., Cleveland, Ohio.

Mr. Smith has had a distinguished career as an electrolysis engineer. In 1922, shortly after receiving his education at Rensselaer Polytechnic Institute, he was employed by Western Electric Co., New York, as laboratory assistant. The following year he joined the New York Edison

Company, New York (now a part of Consolidated Edison Co. of New York, Inc.), as cable inspector. He was soon promoted to chief inspector and early in January 1923, assigned to electrolysis surveys. At that time he made electrolysis surveys and designed highly effective protection systems against electrolysis in both cable and gas piping systems in Manhattan, The Bronx, Queens and Westchester.

In 1927 he resigned from the New York company to enter the employ of The United Gas Improvement Company as electrolysis engineer. From that date until his resignation on December 31, 1941, Mr. Smith was electrolysis engineer for the entire U.G.I. system. He started his own consulting engineering practice on January 1, 1942.

Mr. Smith has been active in the Technical Section of the American Gas Association for a number of years. He is a member of the Distribution Committee and the Subcommittee on Pipe Coatings and Corrosion, of which he is a past chairman (1937-1939). He is also a member of the American Research Committee on Grounding and the American Coordinating Committee on Corrosion. In addition, he is a member of The Electrochemical Society, The Franklin Institute, and The Military Order of the Loyal Legion of the United States.

Seven Gas Units Win Million-Man-Hour Safety Awards

REPRESENTATIVES of 7 units of gas companies throughout the country received Merit Awards October 28 from the American Gas Association for achievements in accumulating one million or more man-hours without a disabling injury accident. The awards, which were recommended by the Accident Prevention Committee and approved by the Executive Board, were presented by President Arthur F. Bridge at a general industry luncheon in the Jefferson Hotel, St. Louis, Mo., during the Association's annual meeting.

The following companies received this outstanding recognition for their safe operation records:

The Brooklyn Union Gas Company, Brooklyn, N. Y., Customer Billing Division, Commercial Dept., worked 1,098,139 man-hours with an average of 76 employees from January 1, 1936 to July 31, 1943 without a disabling injury accident. The Customers Service Division of Brooklyn Union also received an award for working 2,225,374 man-hours with an average of 89 employees from August 9, 1929 to July 31, 1943 without a disabling injury accident.

The Consolidated Gas Electric Light

and Power Co. of Baltimore, Baltimore, Md., Gas Division, worked 1,085,832 man-hours with an average of 1371 employees from April 6, 1943 to July 31, 1943 without a disabling injury accident.

Equitable Gas Company, Pittsburgh, Pa., Meter Shop, worked 1,429,817 man-hours with an average of 38 employees from March 19, 1926 to August 31, 1943 without a disabling injury accident.

The Ohio Fuel Gas Company, Columbus, Ohio, Pipe Lines Division, Northeastern, worked 1,141,842 man-hours with an average of 44 employees from October 1, 1935 to January 1, 1943 without a disabling injury accident.

Michigan Consolidated Gas Company, Grand Rapids, Michigan, Muskegon District, worked 1,090,612½ hours with an average of 96.7 employees from November 5, 1938 to May 31, 1943 without a disabling injury accident.

San Diego Gas & Electric Company, San Diego, California, Gas Meter Division, worked 1,034,728 man-hours with an average of 50 employees from February 16, 1934 to July 31, 1943 without a disabling injury accident.

for the industry's use. Subsequent issues of the A. G. A. MONTHLY will report more fully on various phases of this vital activity.

Continuing the discussion on post-war plans, Hudson W. Reed, president, The Philadelphia Gas Works Co., Philadelphia, made a valuable contribution in a comprehensive address entitled "Forward Thinking on Post-War Industry Needs." Mr. Reed's remarks will be reproduced in the next issue.

Frank H. Adams, chairman of the A.G.A.E.M. Post-War Planning Committee, and vice-president and general manager, Surface Combustion, Toledo, Ohio, concluded the general sessions' program with a ringing appeal for the gas industry to complete a timetable of action based upon the recognition of the various periods of transition from war to peace. Highlights of his stimulating address are included in this issue.

The Annual Meeting was rounded out with fruitful and well-attended meetings of the Natural Gas, Accounting, Industrial and Commercial Gas, Residential and Technical Sections.

A. G. A. Adopts New Research Policy

ON recommendation of the Special Committee on Laboratories Policies composed of Messrs. C. E. Bennett, Chairman; F. H. Adams, F. M. Banks, E. J. Boothby, L. R. Mendelson, J. J. Quinn, P. R. Tappan and George E. Whitwell, the Executive Board of the American Gas Association at its meeting in St. Louis on October 26, 1943 adopted the following resolution:

"Whereas, the industry is faced with the necessity for conducting both fundamental and applied research during the present war emergency in preparation for post-war operations, and

"Whereas, the appliance manufacturers are in many instances unable to undertake this research because of wartime activities and for other reasons, and

"Whereas, the necessity of completing such needed research promptly is of paramount importance, and

"Whereas, this work cannot be accomplished by the American Gas Association under its statement of Research Policy as contained in the Resolution of September 30, 1936, now therefore be it

"Resolved, that this Committee recommends to the Executive Board of the American Gas Association that the resolution of 1936 be suspended and superseded by the following procedure during the war emergency:

"1. All fundamental and applied research proposals shall be submitted directly to the Committee on Domestic Gas Research for its thorough analysis and review.

"2. If the Committee finds that the proposed research is not being adequately conducted or authorized for early prosecution by manufacturers, and if the Committee considers the proposed research essential for the best interests of the industry, it will then recommend favorable action on the project to the Executive Board of the American Gas Association.

"3. The final recommendations of the Committee on Domestic Gas Research shall set forth any appropriation required, the research agency to be employed, and the schedule of work to be performed. Any proposal that involves work to be done by the American Gas Association Laboratories shall first be submitted to and be approved by the Laboratories Managing Committee."

ANNUAL MEETING

(Continued from page 434)

Charles R. Bellamy, Columbia Gas & Electric Corp., New York, N. Y.

The initial report on the first basic study, namely "Post-War Purchasing Power and Potential Markets," by Mr. Sorenson was published and distributed to the industry a few weeks ago. Other reports will soon be made available and complete data will be on tap

Bridgeport Prepares for Post-War Building



George S. Hawley

LOOKING forward to the time when war bans are lifted and building will be resumed on a large scale, The Bridgeport Gas Light Company, Bridgeport, Conn., has inaugurated a series of meetings with builders, architects and others associated with the local building industry.

The dual purpose of the meetings is to render a helpful local service and to continue the company's contact with the building field.

More than 50 architects, builders and others attended the first meeting which was held in the company's auditorium. Addressing this meeting, George S. Hawley, president of the company and past-president of the American Gas Association, urged those present to plan for the post-war period without sacrificing their efforts to win the war. He pointed out that the gas industry is planning interesting developments for new homes and warned the

public not to be misled by fantastic claims for post-war devices.

Mr. Hawley introduced Mayor McLevy who said that there will be a demand for better class homes after the war. "I have consistently opposed the erection by the Federal government of the temporary type of homes for the war workers here because I feel that they will be a problem after the war." The Mayor estimated that about one-third of the newcomers brought to Bridgeport by the war would continue to reside there after the conflict ends.

Other speakers were Ronald A. Malony, sales manager, of the Bridgeport company; Arthur Hirose, of McCall's Corporation, and H. P. Morehouse, Public Service Electric and Gas Co., Newark, N. J., who spoke on his company's experience with gas all-year air conditioning units.

New Natural Gas Lines Authorized

THE Federal Power Commission moved Oct. 1 to relieve a natural-gas transportation shortage in the mid-continent area by authorizing (1) the Cities Service Transportation and Chemical Company to construct a 26-inch natural gas pipeline 231 miles in length from the Hugoton gas field in Texas County, Oklahoma, to the Blackwell compressor station of Cities Service Gas Company in Kay County, Oklahoma, and (2) the Cities Service Gas Company to construct certain additions to its existing facilities to handle the gas to be delivered through the new "Hugoton" line. Initially, the new line will increase natural gas supplies for the Cities Service Gas Company system by 140 million cubic feet of gas per day. By installing additional compressor facilities, it proposed to attain a delivery capacity of 220 million cubic feet per day in 1945 and 240 million cubic feet in 1946.

Brooklyn Union Wins Garden Award

THE Brooklyn Union Gas Company's contribution to the Victory Garden program received national recognition in October with the announcement by the National Victory Garden Institute that the company had been designated to receive its highest award. The award consists of a handsome plaque.

Judges were Richardson Wright, editor of *House & Garden* magazine; J. W. Johnston, horticultural editor of the *New York Herald Tribune*, and Carl F. Wedell, secretary of the Greater New York Victory Garden Council and head of the school of horticulture at the State Institute of Agriculture at Farmingdale, L. I.

Brooklyn Union's success in enlisting its employees in the country-wide drive to produce more food was weighed against that of all companies which reported on the Victory Gardening programs.

Ebasco Holds Safety and Personnel Meetings at Chicago



Ebasco Luncheon Meeting in Chicago



At speakers' table are, left to right, clockwise: Paul Hasskarl, I. M. Carpenter, N. C. McGowen, John Flanagan, W. T. Rogers, C. J. Rutland, M. B. McDonald, and A. J. Naquin

REPRESENTATIVES of 22 operating companies of Electric Bond & Share Company attended a series of safety and personnel meetings at the LaSalle Hotel, Chicago, during the week of October 4. Fifty delegates and 32 guests were present at the various meetings which were held in connection with the National Safety Congress. Arranged by the Insurance and Safety Department of Ebasco Services, Inc., New York, the meetings served to focus attention on safety and personnel problems which have become acute because of the war.

Companies in the natural and manufactured gas, oil, electric power, and urban transportation fields from 27 states were represented. Because of a successful and sustained safety drive, these companies could point to a substantial decrease in the number of accidents and a marked decrease in severity of such accidents during the past year, despite acute shortage of manpower and other war emergency factors.

In addition to discussion of all phases of accident prevention work, consideration was given to the many problems concerned with personnel selection and training, increased use of women, and plans for adjustment of returning servicemen to civilian jobs.

Highlight of the meetings was a luncheon session attended by Ebasco system men and members of the Accident Prevention Committees of the American Gas Association and the Edison Electric Institute who were guests of the company. N. C. McGowen, president, United Gas Pipe Line

Co., Shreveport, La., and past-president of the A.G.A., spoke on "Management's Views Regarding Safety Activities."

Mr. McGowen pointed out that management owes a duty to the stockholders of the company to maintain plant and personnel at maximum productivity. It owes a duty to the public to render service without causing injury or creating hazards, and it owes a duty to employees to provide safe and healthful working conditions. Describing United Gas safety activities, Mr. McGowen told how safety meetings were used by management to discuss other operating problems and how they serve as a developer of supervisory material.

James W. Dunbar Dies

JAMES W. DUNBAR, first secretary of the American Gas Institute and a charter member of the American Gas Association, died at his home in New Albany, Indiana, on May 19, after a short illness. He was 73 years old. Mr. Dunbar started his career by lighting New Albany's coal-oil lamps when he was 18 years old and rose to the position of assistant to the president of the former United Gas & Electric Company.

A staunch supporter of Gas Association work for 59 years, Mr. Dunbar joined the old Western Gas Association in 1884 and later served as its secretary for many years. He also held the distinction of serving three terms in the United States Congress.

Who's Who Among Newly-Elected American Gas Association Officers

Ernest Reynolds Acker PRESIDENT

Mr. Acker is president and general manager of the Central Hudson Gas & Electric Corporation, Poughkeepsie, N. Y.

He was graduated from Cornell University, class of 1917, and attended the summer session at Harvard University. Graduated School of Business Administration, in 1927. Prior to graduation from Cornell University, Mr. Acker served for short periods as a Special Apprentice at the New York Central Shops, Harmon, N. Y., and as a Cadet Engineer with the Yonkers Electric Light and Power Company, Yonkers, N. Y. Immediately after graduation, he was employed at the Bethlehem Steel Company, Bethlehem, Pennsylvania, entering the Engineer Corps of the United States Army as a Second Lieutenant in September, 1917. He served overseas as First Lieutenant, Chemical Warfare Service until the end of the war.

Upon his return to the United States, Mr. Acker became identified with the Central Hudson Gas & Electric Company in 1919 as a cadet engineer in the general operating department. He was made general superintendent of the Kingston Gas & Electric Company—at that time a unit of the Central Hudson System—in 1921 and held that position until he was appointed general commercial manager of the Central Hudson Gas & Electric Company in 1925. In 1932 Mr. Acker became president and general manager of the Central Hudson Gas & Electric Corporation, succeeding the late Thaddeus R. Beal.

Mr. Acker has served as vice-chairman of the Commercial Section of the American Gas Association in 1929, chairman of the section in 1930 and member of the advisory council, 1931. In 1938 he became treasurer of the Association serving in this capacity until 1942 when he became vice-president. He has acted as chairman of the Committee on War Activities from January 1942 to the present time.

In 1936 Mr. Acker was president of The Empire State Gas and Electric Association. He is a member of the Operating Committee of the Edison Electric Institute.



Ernest R. Acker
President



J. French Robinson
Vice-President



Joseph L. Llewellyn
Treasurer

J. French Robinson VICE-PRESIDENT

J. French Robinson, president of The East Ohio Gas Company, Cleveland, Ohio, was chairman of the Natural Gas Section, American Gas Association, in 1941-1942. He is a member of the Petroleum Industry War Council and general chairman of the Natural Gas and Natural Gasoline Committees under the Petroleum Administration for War. He is also chairman of the Natural Gas and Natural Gasoline Committee of PAW District No. 1.

Born at Elizabeth, West Virginia, on December 13, 1890, Mr. Robinson was graduated in 1915 from West Virginia University with a B.S.C.E. degree. In 1918, he received a M.S. Engineering degree from the same university and, in 1929, received the Doctor of Science degree from the University of Pittsburgh.

From the time of his graduation until 1918, he was employed as assistant geologist for the Baltimore & Ohio Railroad

Company making investigations of oil, coal and mineral resources. He was appointed engineer for the Ford-Run Franklin Coal & Coke Corp. in 1918 and a year later became geologist for the Seneca Hill Oil Company. In 1920 he was named assistant state geologist of Pennsylvania.

Mr. Robinson served the natural gas industry from 1921 to 1933 as geologist and engineer for The Peoples Natural Gas Company, The Columbia Natural Gas Company and the Hope Natural Gas Company, all affiliated with the Standard Oil Company (New Jersey). From 1930 to 1935, he was manager of the New York State Natural Gas Corporation and Keuka Construction Corp., and from 1933 to 1935 was vice-president of The Peoples Natural Gas Company, and The Columbia Natural Gas Company, of Pittsburgh.

Mr. Robinson became president of The Peoples Natural Gas Company and The Columbia Natural Gas Company in 1936. He was also president of the New York State Natural Gas Corp., Keuka Construction Corp., Reserve Gas Co., and the Lycoming United Gas Company. He was elected president of The East Ohio Gas Company, Cleveland, on November 15, 1940.



F. M. Banks
Director



Walter C. Beckjord
Director



Charles M. Cohn
Director



Watson E. Derwent
Director



Ralph L. Fletcher
Director



D. A. Hulcy
Director



O. H. Ritenour
Chairman, Accounting Section



Charles G. Young
Chairman, Ind. & Com. Gas Section



Malcolm Leach
Chairman, Manufacturers' Section



Ralph E. Wertz
Chairman, Natural Gas Section



C. V. Sorenson
Chairman, Residential Section



Charles F. Turner
Chairman, Technical Section

He is a past president of the Pennsylvania Natural Gas Men's Association and a member of the American Gas Association, American Institute of Petroleum Geologists, American Mining Congress and American Institute of Mining and Metallurgical Engineers.

Joseph Leonard Llewellyn TREASURER

Joseph Leonard Llewellyn is insurance manager of The Brooklyn Union Gas Company with which he has been affiliated since 1910.

Mr. Llewellyn attended New York University School of Commerce and Finance and Insurance Institute of America. In 1908 he entered the sales department of the Waterman Fountain Pen Company, resigning a year later to accept a position with the Brooklyn Rapid Transit Company as assistant employment manager. In 1909 he joined the Lehigh Valley Coal Company as assistant to the general eastern sales agent.

He became affiliated with the gas industry in 1910 when he entered the executive department of The Brooklyn Union Gas Company. In 1923 was appointed secretary and assistant to the vice-president in charge of commercial activities. In 1933 inaugurated the insurance department and was appointed manager.

Mr. Llewellyn has been a member of the Insurance Committee of the American Gas Association since 1920, serving as chairman for three years. He was assistant treasurer of the Association from 1935 until 1942 when he was elected treasurer.

O. H. Ritenour CHAIRMAN, ACCOUNTING SECTION

O. H. Ritenour is comptroller of the Washington Gas Light Company, Washington, D. C.

A native of Virginia, Mr. Ritenour attended the University of Virginia and received his B.C.S. degree from Southeastern University, Washington, D. C. He has been associated with the

Washington Gas Light Company and subsidiaries since 1925. He was elected assistant treasurer in 1933 and comptroller in March, 1942. A specialist in machine accounting methods, Mr. Ritenour designed and installed the entire accounting system of the Washington Gas Light Company.

Mr. Ritenour has been active in American Gas Association affairs for a number of years. He was the first chairman of the Property Records Committee and has been chairman of the General Accounting Committee, coordinator of the General Accounting Activities Group, and vice-chairman of the Accounting Section. He is a member of the Controllers' Institute of America and past president of the District of Columbia Control. He is also a member of the Washington Board of Trade.

He is prominent in Washington civic affairs such as Red Cross, Community Chest, etc., and is a member of Headquarters Committee, Community War Fund.

Charles G. Young CHAIRMAN, INDUSTRIAL AND COMMERCIAL GAS SECTION

Charles G. Young is general manager of the Springfield Gas Light Company, Springfield, Mass.

A native of Springfield, Mr. Young was born June 2, 1896, and attended Springfield schools, graduating from high school in 1914. His first job was with the Carter Paper Company in 1914. The following year he was employed in the accounting department of the Springfield Gas Light and Coke Co. He organized the coke sales department in 1924 and served as its manager. He was appointed assistant treasurer in 1927, office manager in 1932 and general manager in 1937.

Mr. Young is vice-president and treasurer of the American Tar Company. He is a past president and director of the New England Gas Association; vice-president and director of the Springfield Chamber of Commerce, and director of the Springfield Boys' Club.

He served in the United States Navy during World War I.



E. P. Noppel
Director



Bruno Rahn
Director



Louis Ruthenburg
Director



E. J. Tucker
Director



H. Carl Wolf
Director



C. E. Packman
Vice-Chairman, Ac-
counting Section



Harry K. Wrench
Vice-Chairman, Ind.
& Com. Gas Section



R. H. Hargrove
Vice-Chairman, Nat-
ural Gas Section



J. H. Warden
Vice-Chairman, Resi-
dential Section



L. E. Knowlton
Vice-Chairman,
Technical Section

Malcolm Leach

CHAIRMAN, MANUFACTURERS' SECTION

Malcolm Leach, president of the Glenwood Range Company, Taunton, Mass., has spent his entire business career with that company. He joined the company in 1923, became assistant sales manager in 1931, sales manager in 1934, and vice-president in 1939. He was elected president in July, 1942.

Mr. Leach has been prominently identified with the cooperative program of the Association of Gas Appliance and Equipment Manufacturers and was elected chairman of the Gas Range Division in October 1942. He had previously served as vice-chairman from 1940 to 1942.

Ralph E. Wertz

CHAIRMAN, NATURAL GAS SECTION

Ralph E. Wertz, president of Amarillo Gas Co., Amarillo, Texas, was born in Tipton, Iowa, Nov. 15, 1876.

He has been actively identified with the exploration, drilling, production and transmission of oil and natural gas for 30 years.

During the 14-year period from 1917 to 1931, Mr. Wertz was vice-president of Producers & Refiners Corp., in charge of geology, drilling, production and pipe lines in the Rocky Mountain and Mid-Continent areas. Explorations under his direction resulted in the discovery of several important gas fields in the Rocky Mountain area.

Since 1931 he has been the chief executive officer of a group of companies in west Texas and New Mexico, engaged in the production and transmission of natural gas and the distribution thereof in 50 cities and towns.

Mr. Wertz is president and director of the Amarillo Gas Co., Panhandle Pipe Line Co., Amarillo; Dalhart Gas Co., Dalhart, Texas; Clayton Gas Co., Clayton, New Mexico; vice-president and general manager Amarillo Oil Co., and vice-president of the Canadian River Gas Co., Amarillo, Texas.

Mr. Wertz is an active civic worker. He is particularly interested in aviation and post-war planning. He is a member of District Three Committee on Natural Gas and Natural Gasoline under the Petroleum Administrator for War.

C. V. Sorenson

CHAIRMAN, RESIDENTIAL SECTION

C. V. Sorenson is supervisor of new business for Northern Indiana Public Service Co., Hammond, Ind.

Mr. Sorenson has had 15 years' experience in the operating end of both gas and electric utilities, starting in 1913. A subsequent 15-year period was devoted to utility sales management and market development. His business career began with the local utility in Eau Claire, Wisconsin, which later became a part of the Wisconsin Minnesota Light and Power Co., a subsidiary of American Public Utilities Company.

In 1924 Mr. Sorenson was transferred to Indiana properties of the American Public Utilities Company. Thereafter he was associated principally with Public Service Co. of Indiana, Indianapolis, and Northern Indiana Public Service Co., Hammond.

He has been prominent in activities of the American Gas Association, having served as chairman of the Refrigeration Committee, 1941-1943, and member of the Residential Section, Managing Committee Mid-West Sales Council, House Heating and Water Heating Committees. He now holds the chairmanship of the A. G. A. Post-War Planning Subcommittee on Post-War Purchasing Power and Potential Markets, the first report of which was published in September.

Mr. Sorenson is immediate past president of the Indiana Gas Association.

Charles F. Turner

CHAIRMAN, TECHNICAL SECTION

Charles F. Turner is chief chemist of The East Ohio Gas Company, Cleveland, Ohio.

A graduate of the University of Michigan, chemical engineering, in 1920, Mr. Turner joined The East Ohio Gas Company immediately thereafter as Laboratory assistant. Later he was appointed chemist and then chief chemist.

In the early 1920's Mr. Turner became interested in protection of buried steel pipe and became a member of the Pipe Coatings and Corrosion Subcommittee of the Distribution Committee, American Gas Association. His work in pipe corrosion brought him in intimate contact with distribution system problems, and he also gained valuable experience in connection with valuation work on East Ohio's pipe line system. In recent years, he has been in close touch with gas production and transmission problems, and has been actively identified with many Association projects.

Mid-Southeastern Gas Meeting

ALEXANDER MACOMBER, director, Manufactured Gas Division, Office of War Utilities, War Production Board, will be one of the principal speakers at the fifth annual meeting of the Mid-Southeastern Gas Association which takes place Nov. 19 at the Hotel Sir Walter, Raleigh, N. C. A complete one-day program has been announced by the president of the Association, R. L. McCuen. The meeting is being held in conjunction with the College Extension Division and the Department of Chemical Engineering of North Carolina State College.

Among the speakers and their topics are: John W. West, Jr., assistant managing director, American Gas Association, "Post-War Planning"; J. K. Knighton, research engineer, Servel, Inc., "Year-Round Gas Air Conditioning"; Dr. E. E. Randolph, professor of chemical engineering, North Carolina State College, "Address of Welcome"; William J. Foster, George D. Roper Corp., "Post-War Selling of Appliances."

A banquet with John P. Lucas, Jr. as toastmaster and R. Gregg Cherry as speaker, will be a feature of the meeting.

PRESIDENTIAL ADDRESS

(Continued from page 438)

Possibly the gravest potential threat to the financial stability of public utilities and a direct consequence of mounting income taxes, is a disposition, particularly on the part of certain Federal regulatory agencies, to disallow as operating expenses such taxes above the prewar level. The principle of disallowing abnormal income taxes was first enunciated in several rate decisions during World War I, but was overruled by the U. S. Supreme Court in 1922 (*Galveston Electric Co. vs. Galveston*) and was thereafter repudiated by several state commissions which had initially adopted it.

In September, 1942, the issue was revived by the Federal Power Commission in a decision involving rates of the Panhandle Eastern Pipe Line Company, as follows:

"So that there may be no confusion concerning the tax situation in connection with the companies subject to our jurisdiction, where necessary to stabilize utility rates at reasonable levels during the war emergency period, we propose to allow as proper operating expenses only such taxes as may be termed ordinary or normal. For the purpose of distinguishing between ordinary or normal and war emergency or abnormal taxes, we conclude that the basis prescribed in the 1940 Revenue Act establishes the highest level of Federal taxes which may be allowed as an element of operating expense for such purpose."

Urged by O.P.A.

The same principle was later adopted by the Federal Communications Commission and has been repeatedly urged by O.P.A. in the many rate proceedings before state commissions in which it has intervened. It should be noted that this exclusion has been advocated not only where rate increases were being sought, but also as a means of effecting rate reductions.

The state utility commissions are divided on this doctrine, although several, notably Connecticut, Indiana, and Michigan, have definitely repudiated it in recent decisions. A digest of reported opinions submitted to the N.A.R.U.C. Convention last month, based on a canvass of all the state commissions, showed five in favor of disallowance, nine against, and sixteen noncommittal.

Another variation of the same idea,

which has found favor with some state commissions, is the reduction of rates (regardless of the resulting rate of return) to a point where no excess profits tax liability will be incurred. While the justification offered for this plan is somewhat different, the result to the utility and its stockholders is almost equally disastrous. This latter proposal became the paramount issue in a rate petition filed against the Detroit Edison Company by the City of Detroit, which was recently decided by the Michigan Public Service Commission. The company's brief in this case shows convincingly the unsoundness of both of these doctrines upon legal as well as equitable grounds.

I think the language of the Michigan Commission in its opinion in this proceeding concisely sums up the injustice and unwisdom of the disallowance theory. I quote in part:

"Under the laws of the State of Michigan, a regulated utility is entitled to earn a fair return upon the present value of the property devoted by it to public service. Money that has been lawfully spent in rendering service constitutes no part of such a return. The dollar paid out for taxes is no more available as income and return than a dollar spent for labor or any other legitimate expense. . . . We know of no statute giving us the power to forbid a company the right to charge as an operating expense any tax lawfully incurred by it. . . . We therefore find that all taxes are a proper operating charge and they will be so considered in determining the income of the company in this case."

Time does not permit me to review these matters adequately, nor am I qualified to do so; however, I cannot too strongly stress their importance to the public utility industry, and the need for concerted and effective action in meeting this threat.

Manpower Situation Critical

A problem which constantly confronts us, and which we share with all industry throughout the nation, is the increasingly critical manpower situation. More than any other factor, this shortage now limits and controls all of our activities. It would be impossible to discuss in detail so broad and ramified a subject in the limited time available. With the drafting of fathers, the W.M.C. is reaching the bottom of the barrel, and, particularly in certain critical areas, has resorted to several

desperate expedients (including diversion or cancellation of war contracts) to avoid national labor conscription, which may yet prove to be the final solution.

Our Association has done everything possible to alleviate difficulties due to attrition of industrial labor caused by the draft. Negotiations conducted by our Committee on Personnel Practices led to the declaring of the gas industry as essential, and to the listing of our critical occupations for the information and guidance of local draft boards. The administration of induction processes by local bodies is inevitably accompanied by considerable lack of uniformity in the disposition of deferment cases. Some boards are sympathetic to requests for deferment of key men whose loss would impair the functioning of our organizations; other boards don't want to listen. They are under pressure from many directions, and the demands to produce men for the armed services are much heavier on some boards than on others.

As the war proceeds we may expect a still tighter situation. The companies will have to deal with this problem to the best of their ability and resourcefulness. A series of conferences between personnel managers has proved very helpful in meeting common problems. We have done wonders in adapting ourselves to changing conditions and readjusting our remaining available manpower. Apparently we must do still more, and there is no doubt that we shall meet the challenge.

In concluding this brief commentary I wish to leave with you two thoughts—First—while the transition from war to peace will doubtless be a difficult and complex period, which will impose readjustments more drastic and unpleasant than those which we have yet encountered, bear in mind that we are engaged in the business of supplying fundamental and essential human needs. People must cook their food. They must bathe and be kept warm; and if we continue, as in the past, to provide the most convenient and satisfactory means of satisfying those needs, we shall safely weather the postwar storms. The second thought is as old as time but it cannot be overstressed—the need for unity and concerted action on all matters affecting our industry—in union there is strength.

Personal AND OTHERWISE

Barnett Appointed to Advertising Group



R. G. Barnett

Advertising.

Mr. Barnett is vice-president and general manager of the Portland Gas & Coke Company and replaces James F. Pollard of Seattle who has resigned his position as president of the Seattle Gas Company effective November 1, and who intends to take up residence in California.

E. Holley Poe To Manage Petroleum Corp.



E. Holley Poe

the American Gas Association from 1937 to 1942, has resigned as director of the Natural Gas and Natural Gasoline Division of the Petroleum Administration for War to accept this appointment. He is succeeded by James E. Pew who was assistant director of the division.

Referring to the work of the Petroleum Reserves Corporation, Mr. Ickes had stated previously that "since its organization on June 30, 1943, it has been studying and discussing the whole problem of oil production, refining and distribution facili-

ties in the Middle and Near East. The corporation's activities, however, are so closely identified with basic aspects of military strategy that they cannot be disclosed publicly in detail."

Mr. Poe is a native of Oklahoma, and has been connected with the oil and gas business for 25 years. He has been associated with the Tidal Oil Company (now Tidewater Oil Company), the Tiger Mountain Oil Co., the Central States Power and Light Co. He had been with PAW since June 1942, when he resigned as secretary of the Natural Gas Section.

Robert W. Ducker succeeds Mr. Pew as assistant director of the Natural Gas and Natural Gasoline Division, PAW, and B. C. Adams, Jr., replaces him as chief of the Natural Gas Section.

The new director, Mr. Pew, has had 20 years' experience in the natural gas and natural gasoline industry. He joined PAW in July 1943.

Derwent Retires from Roper Corp.

WATSON E. DERWENT, vice-president of the Geo. D. Roper Corporation, Rockford, Illinois, who has been with Roper for 28 years and an active figure in the gas industry for over 40 years, has announced his retirement effective November 1, 1943.

In 1917 Derwent became sales manager of the gas range division and in



Watson E. Derwent pictured with a group of his associates in the Geo. D. Roper Corporation. Left to right, standing, are: Floyd K. Lawson, secretary-treasurer; E. Carl Sorby, vice-president; John P. Curtin, vice-president, and Stanley H. Hobson, president

1918 was elevated to the position of vice-president.

Prior to joining the Roper organization he served for 11 years as sales manager of the Kalamazoo Stove Company, Kalamazoo, Michigan.

Always an aggressive, forceful character, Mr. Derwent was prominent in association activities for years. He was a member of many state gas associations and a member of the American Gas Association for 26 years, serving on many industry committees. He helped organize the Association of Gas Appliance and Equipment Manufacturers and served as president for two years. He has just completed a term as a member of the Executive Board of the American Gas Association. Mr. Derwent has served on the A. G. A. Approval Requirements Committee from the time the Laboratory was set up.

Since the start of the war much of his time has been devoted to coordinating activities of the gas industry with the wartime requirements of various governmental agencies.

Newhall Gets Degree at Gas Institute

ROBERT M. NEWHALL, Stoneham, Mass., has become the first student to complete training for an advanced degree at the Institute of Gas Technology at Illinois Institute of Technology, Chicago. He has just completed two years of graduate work in gas technology and was granted a Master of Science degree from Illinois Tech at its commencement Oct. 17.

Mr. Newhall is one of 24 students, all of them outstanding chemistry or chemical engineering graduates, who have been granted fellowships for study at the Gas Institute during the past two years. He began his work shortly after the establishment of the Gas Institute. He was graduated from Tufts College in 1941 with a degree in chemical engineering.

His two summers in the gas industry were spent at the Rochester Gas and Electric Corporation, Rochester, N. Y., and the Surface Combustion company in Toledo, O. He wrote his master's thesis on "Oxidation of Quinoline with Selenium Dioxide in the Presence of Phosphoric Acid."

The Gas Institute has granted Mr. Newhall a second fellowship to work on his doctorate. While he is studying for his doctor of science during the next two years, he will also serve as a graduate assistant in the physics department at Illinois Tech.

Payne Gets "E"

PAYNE Furnace & Supply Company, Inc., Beverly Hills, Calif., has joined the select group of Army-Navy "E" Award winners who have been honored for excellence in war production. The presentation ceremony took place November 5.

U.G.I. Appointments

THE United Gas Improvement Company announces the following changes in the officers of the company effective November 1, 1943:

Johns Hopkins was elected treasurer to succeed I. W. Morris who resigned after more than 49 years of service with the company. Mr. Hopkins continues as secretary.

Albert S. Corson was elected a vice-president and Ernest G. Windle was appointed assistant to the president.

George J. Banse was appointed to succeed Mr. Corson as general auditor.

Meade Advanced

E. J. MEADE, vice-president of Atlanta Gas Light Company and Florida Public Utilities Company, was advanced to the position of operating vice-president recently.

At the same time D. A. Crawford, president of Roanoke Gas Light Company and associated public utility companies operating in Virginia and Tennessee, accepted the vice-presidency of Atlanta Gas Light Company and Florida Public Utilities Company.

DeBard Joins WPB



Davis M. DeBard

DAVIS M. DEBARD, vice-president of Stone and Webster Service Corp., New York, N. Y., is now deputy director of the Conservation Division of the War Production Board. He took over his new duties October 15, with an office in the Washington Gas Light Building.

Mr. DeBard is well known in the gas industry for his promotional activities. He is a past chairman of the Commercial Section (now Residential Section) of the American Gas Association.

Horton Appointed

APPOINTMENT of E. J. Horton as assistant to the president, has been announced by John A. Robertshaw, president of the Robertshaw Thermostat Company, Youngwood, Pa.

From 1910 to 1943, Mr. Horton was with the Ruud Manufacturing Company of Pittsburgh, Pa., and before going to Robertshaw, was chief engineer of that company. He has been a member of the A. G. A. Subcommittee on Approval Requirements for Water Heaters since the formation of that committee. He was chairman for several years. He has also served on other A. G. A. committees.



William L. Magden (third from left) receiving a McCarter medal from A. W. Conover, president, North Shore Gas Company. Also pictured are Harold W. Dunn, safety director, and Walter H. Dietmeyer, McCarter certificate winner

Win McCarter Medals for Life Saving

TWO employees of the North Shore Gas Company, Waukegan, Ill., were singularly honored recently for heroic action in saving the life of a woman who had been overcome by gas. William L. Magden, fitter, and Walter H. Dietmeyer, shop foreman, were awarded a McCarter medal and certificate of assistance respectively by the American Gas Association for their application of the Schafer prone pressure method of resuscitation.

A. W. Conover, president of the North Shore Gas Company, made the presentation of the McCarter Medal to Mr. Magden on October 22 at a regular monthly meeting of the employees' organization. The McCarter certificate of assistance was presented to Mr. Dietmeyer by Harold W. Dunn, safety director.

The board of directors of the company passed a special resolution, copy of which was given to both men in recognition of their outstanding valor and presence of mind in an emergency.

Portland Magazine Makes Its Bow

A NEW gas company magazine, "The Blue Flame," published by the Portland Gas & Coke Company, Portland, Oregon, made its bow with the October issue. Published in tabloid newspaper style with a striking blue flame design on the masthead, the first issue is filled with interesting company news and personalities. John Dierdorff is editor and Don Johnston is managing editor of the publication which is designed to weld the growing Portland utility into a close-knit effective organization.

One interesting item in Volume 1 Number 1 tells how the Portland Gas &

Coke Company organization today is carrying the heaviest responsibility in its history. Quoting from that article:

"A record number of 99,500 customers look to Portland gas to meet service requirements that run all the way from cooking for war workers to brazing huge copper exhaust pipes for Liberty ships.

"On the 'home' front, gas is being depended upon to perform duties in 90,304 homes, compared with 87,044 a year ago and 82,837 two years ago.

"Stepped-up war production has brought a 37 per cent greater demand for gas for industrial purposes compared with a year ago, and 86 per cent greater than two years ago.

"Other wartime demands for gas are represented by Vancouver barracks and Portland air base, for example, where thousands of meals are cooked for military men stationed in this area. Millions of gallons of gas-heated water also are listed among their requirements."

With such a record, "The Blue Flame" will have much to talk about in future issues. It is the first company house organ since 1938 when the "Gasco News" ceased publication.

Stilwell Again Elected

COL. JOHN STILWELL, vice-president of Consolidated Edison Co. of New York, Inc., on October 6 was re-elected president of the National Safety Council for his fifth consecutive term.

Neuner Opens Law Office

GERARD J. NEUNER, formerly vice-president of Panhandle Eastern Pipe Line Company, Kansas City, Mo., on October 1 announced the opening of offices for the general practice of law. His new office is located at Suite 1200 Waltham Building, Kansas City, Mo.



Accounting SECTION

O. H. RITENOUR, *Chairman*
C. E. PACKMAN, *Vice-Chairman*
O. W. BREWER, *Secretary*

Accountants Hold Successful Group Meetings

TACKLING a multitude of problems arising from the war emergency, a large number of utility accountants participated in the Accounting Section program during the Annual Meeting in St. Louis, Mo., October 26-28. Departing from past practice, no formal reports were given but the program was divided into two large group meetings on Tuesday and a series of smaller meetings on Wednesday. This method, which allowed concentration on individual problems as well as general war and post-war procedures, resulted in well-attended and highly successful meetings.

The General Accounting Activities Group, with R. E. Hull, United Gas Pipe Line Co., Shreveport, La., coordinator, and L. V. Watkins, Panhandle Eastern Pipe Line Co., Chicago, chairman, presiding, met Tuesday afternoon. Presiding at the Customer Accounting Activities Group meeting the same afternoon was E. F. Embree, New Haven Gas Light Co., New Haven, Conn., coordinator. Individual meetings of the following groups

were held the next morning: Materials and Supplies, Property Records, General Accounting, Taxation Accounting, Customer Accounting, Customer Collections, and Customer Relations.

Prior to these meetings, a brief business session was held at which L. A. Mayo, The Connecticut Light and Power Co., Hartford, Conn., chairman of the Accounting Section, presented his annual report. At this meeting, O. H. Ritenour, controller, Washington Gas Light Co., Washington, D. C., was elected chairman for 1943-1944. C. E. Packman, general auditor, Middle West Service Co., Chicago, was selected as vice-chairman.

In his annual report, Mr. Mayo commended the various committees for doing excellent work despite manpower shortages, wartime restrictions and new governmental regulations. He pointed out that efforts of the committees had been streamlined as much as possible and that only few and necessary meetings were held. In conclusion, he said:

"The Section's work in the past has clearly demonstrated the value of joint effort and joint meetings. To the extent that conditions will permit, I hope that utility accountants will continue to meet regularly for there are many common problems in the offing which will require solutions. Regarding the future, I should like to suggest for your consideration that post-war studies be undertaken covering all phases of utility accounting, to the end that existing practices may be improved and expenses reduced. All utilities will be facing keener post-war com-

petition and the accountants must contribute their share to the overall results."

Following are brief summaries of the group meetings:

General Accounting Activities Group

Presiding: R. E. HULL,
United Gas Pipe Line Co., Shreveport, La., Coordinator
and L. V. WATKINS,
Panhandle Eastern Pipe Line Co., Chairman, General Accounting Committee

With an attendance of more than 100 persons, this meeting brought out lively discussion of general accounting problems, with interest divided between war and post-war considerations.

A valuable discussion of property records problems included the following subjects: "Utilization of Manpower in the Post-War Period"; "Significance of Property Records for Purposes Other Than Original Cost"; "Use of Original Cost Data to Measure Inflation"; and "Determination of Service Lives from Original Cost Studies." In connection with Materials and Supplies, considerable interest centered on stores expenses and their distribution under war conditions.

Personnel problems both during and after the war were in the spotlight on a number of occasions during the meeting. Other subjects which received a large amount of attention were: "Salary Stabilization"; "Control of Promotional Expenses"; "Replacement of Office Equipment"; "Reserve for Deferred Maintenance";



O. H. Ritenour and C. E. Packman, incoming Accounting Section Chairman and Vice-Chairman respectively

Right—L. A. Mayo, retiring Accounting Section Chairman; L. V. Watkins, newly appointed Coordinator of the General Accounting Activities Group; and J. J. Natale, 1943-1944 Coordinator of the Customer Accounting Activities Group



Right—Customer Accounting Activities Group Meeting. Below—General Accounting Activities Group Meeting



nance"; "Other Post-War Reserves"; and "Impact of Accounting on Management."

This group also held a smaller meeting the following day at which further discussion of the above topics took place.

Materials & Supplies

J. K. BROWN, *Chairman,*
Michigan Consolidated Gas Co., Detroit, Mich.

The meeting opened with informal discussions on the more recent revisions to the War Production Board regulations and their probable effect on operations and construction programs.

The problems surrounding the distribution of Stores Expenses continued to be of major importance and considerable interest was in evidence regarding the desirability of uniformity in the nature of Stores Expense charges as well the methods of their distribution.

Due to the unavoidable absence of the incoming chairman, definite recommendations were tabled for further consideration.

Property Records

R. L. McVEY, *Chairman,*
A. H. Andersen & Co., Chicago, Ill.

A round-table discussion of Property Records problems was held instead of following any formal speech-making program. The subjects discussed were suggested by those in attendance and a lively and interesting meeting resulted. While a number of subjects were discussed, the following received more attention:

1. What accounting procedures were being followed and what kind of changes were being recorded in Account 142—Preliminary Survey and Investigations?

2. What method could best be used to review and reprice retirements of Property in Process of Reclassification which had been recorded during the period of determination of original cost?
3. Latest experiences with respect to commission orders as to disposition of Account 100.5—Plant Acquisition Adjustments and Account 107—Utility Plant Adjustments.
4. What general type of forms were being used for setting up the continuing Property Records so as to give pertinent information with a reasonable cost.

There was an attendance of about 30 and everyone entered wholeheartedly into the meeting.

Taxation Accounting

H. D. HEIBY, *Chairman,*
Columbia Engineering Corporation,
New York, N. Y.

Without waiting for the completion of the excellent program that accompanied the Home Service Breakfast of Wednesday, October 27, the Taxation Accounting Committee of the General Accounting Activities Group plunged into a spirited all-day discussion of numerous tax subjects of currently outstanding interest and importance. A previously announced schedule of subjects to be discussed merely served as a means of giving the meeting a measure of momentum that continued undiminished throughout the day and into the late hours of the afternoon. Thoroughly considered from seemingly every conceivable approach were not only the subjects enumerated on the official program, but also many other tax subjects of special interest to

the array of public utility tax-minded individuals assembled for the occasion.

The first subject taken up was the proposed extension of Internal Revenue Code section 735 to include natural gas companies. No attempt was made to evaluate the comparative merits of various proposals that have been offered in this connection. The discussion was confined rather to an outline of the progress that has been made and of the steps that are being taken to insure a thorough consideration by our legislators of this important proposal. The able leader in this discussion was L. D. Romig of Southern California Gas Company who has, from its inception, kept closely abreast of the development of this proposal.

The next subject was that of Internal Revenue Code section 722 as it may be applicable to public utilities. This subject was discussed in quite thorough detail, a particularly interesting feature of which was the enumeration of the varied bases relied upon in the claims filed by the corporations represented at the meeting. Among the bases mentioned were the following:

1. Depression Factors:
 - a. Loss and subsequent replacement of large wholesale customer, which had been taking substantial percentage of total output
 - b. Temporary and unusual economic events affecting large-scale consumers.
2. Changes in Character of Business:
 - a. Increased facilities
 - b. Development of new gas fields
 - c. Acquisition of assets of companies operating in contiguous territory
 - d. Change in management
 - e. Installation of heating units
 - f. Use of stored gas
 - g. Distribution line extensions
 - h. Difference in ratio of non-borrowed capital to total capital
3. Other:
 - a. Discontinuance beginning with 1940, of the allowance of lease amortization
 - b. Reduction of indebtedness in form of serial notes outstanding in base period.

The Tax Aspect of Pension Plans was the next subject brought up for discussion.

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Residential SECTION

C. V. SORENSON, *Chairman*
J. H. WARDEN, *Vice-Chairman*
J. W. WEST, JR., *Secretary*

A Platform for Post-War Residential Gas Sales

Speaking before a capacity audience at the Residential Section meeting during the Annual Meeting in St. Louis, October 27, four of the gas industry's most progressive and far-sighted sales promotion executives laid down the gauntlet to the industry's competitors by offering a full-fledged sales policy platform for the war and post-war periods. Digests of the Chairman's Address and two of the speakers' remarks are presented on these pages. F. X. Mettenen's report of methods used in Chicago appears in full elsewhere in this issue. An enlightened preview of trends in post-war appliance merchandising and sales promotion by Frank C. Smith, President, Houston Natural Gas Corporation, will be published in the December MONTHLY.

appliances with the active cooperation of the Sub-Committee on Improving Domestic Gas Appliances and other appliance committees. This survey will be sent to all gas companies in the very near future and I urge your prompt cooperation so that the requested information will be made available at the earliest possible moment.

In addition to their activities in connection with Post-War Planning, the House Heating and Water Heating Committees have been engaged in completing the CP (Certified Performance) House Heating and Water Heating Equipment programs. Preliminary specifications have been completed and promotional programs are now being set up so that they may be utilized immediately as the opportunity presents itself.

(Mr. Seiple then reviewed activities of other committees during the past year and continued as follows):

The sales development of the gas industry has written a distinguished and honorable history, but it is now past history. We have an opportunity to wipe the slate clean and to start fresh, benefited by the experiences of the past, but not shackled with time worn procedures, policies and practices. We must now, more than ever before, realize that our fuel, gas, can only be fully utilized when more and better appliances are connected in our customers' homes. Then who can deny that the gas company must accept full responsibility

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Peace To Focus Attention on Selling

- **Digest of Address by Chairman B. A. SEIPLE, Vice-President,**
Jersey Central Power & Light Company, Asbury Park, N. J.

THIS past Association year has seen a change in the activities of the Residential Section. Apart from its constitutional responsibilities, which read: "Subject to the direction of the Executive Board, the Residential Section shall have jurisdiction over all matters relating to the sale of gas and gas appliances, and to the development of the utilization of gas in the residential field"; instead of sales promotion, the Section was dealing with limitation orders, conservation programs, stove rationing, and postwar sales planning. Our work on the first three items was more or less routine in nature and was handled in accepted Section fashion.

Time does not permit a full review of your Section's diversified committee activities, but I would like in this, my final report as your Chairman, to briefly summarize some of the highlights of these activities.

It is my personal opinion that one of the most important committees ever formulated by your Association is the Post-War Planning Committee. Specifically, this committee is charged with the responsibility of making adequate plans and preparations, to compile certain studies and reports, and to utilize every means at its command to make certain that our industry will maintain and improve its position in the post-war era.

In view of the importance and vital sig-

nificance of this work, it was only logical that your Section's Committees should bend every effort to assist this work. To this end, the Domestic Range, Refrigeration, Water Heating, House Heating, Home Service, Market & Economic Research Committees, and the Sub-Committee on Improving Domestic Gas Appliances have contributed much to the work and progress made by the Post-War Planning Committee to date.

The new and improved Post-War Gas Appliance Committee and the Committee on Gas Appliance Sales Policies, both of which are subcommittees of the Post-War Planning Committee, are now in the process of completing certain studies that will be of utmost importance to the industry. A recent survey conducted by the Sales Policies Sub-Committee, representing the views of gas companies serving better than 80% of the total meters in the United States proved to be very informative.

The Committee on New and Improved Post-War Gas Appliances has completed a comprehensive survey on this subject for all domestic gas



C. V. Sorenson, *Incoming Chairman, Residential Section*

B. A. Seiple, *Retiring Chairman, Residential Section*

How Will We Sell Gas Tomorrow?

• Digest of Address by DEAN H. MITCHELL, President,
Northern Indiana Public Service Company, Hammond, Indiana*

AT the end of last year, 18 million American homes enjoyed the benefits of gas service. The industry has come of age and now takes its place at the modern business table, and that place carries with it certain problems to be faced in the future.

The day of the new and undeveloped market has passed, and in its stead is the promise of fierce competition for favor in the eyes of the homemaker.

Experts hint at a vast home-building program in the post-war years. The share of that business we secure will depend upon the intelligence and aggressiveness of our approach. Designers are giving us fleeting glimpses of future homes built for the full enjoyment of living. Not only must we think in terms of complete gas service for that home, we must go one step further and think in terms of equipment that will meet the style and beauty demands of the designer and at the same time interpret the value of gas service in most favorable terms to the customer.

We must then seek out the customer, through his builder or designer, in his home, at his favorite dealer's store, through his magazine or newspaper, or wherever he may be found, and convince him that gas can play an important part in providing for him the all-round satisfaction he wants from his "home of tomorrow."

Together with all industry the gas business will face many new and different competitive conditions in the post-war period. Styles will change—the channels of distribution will be altered and new goods and services will introduce competition for the consumer's dollar to an extent we have not previously known.

The new era which we in the gas business

* Presented by E. D. Anderson, Vice-President, Northern Indiana Public Service Company.

ness are about to enter *can* prove to be more prosperous and yield more business than we have known in the past, yet the fact that we know changed conditions will exist, makes it imperative that we prepare our plans carefully while we have the opportunity.

Marketing gas service in the post-war days will involve the consideration of the following problems;

First—The physical conditions that will exist within the company in question, relative to productive capacity, gas supply, and the characteristics of loads that would be most desirable to develop.

The wide acceptance of gas in the commercial field and the many uses for industrial gas, which have greatly expanded due to wartime conditions, will emphasize their importance as a component in the characteristics of the total load imposed upon the plant. Their relation to the residential load will probably have changed to a degree that will require a reassignment of importance to the various classes of load. When that is being done, it should be borne in mind that home heating and year-round climate control, through the addition of gas air conditioning, may materially change the nature of the residential load in many parts of the country.

There seems to be only a meager amount of information available about the characteristics of the load imposed by various gas appliances used in the home. The more

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Who Is Responsible for Sales?

• Digest of Address by LOUIS RUTHENBURG, President,
Servel, Inc., Evansville, Indiana

IN the 1940 proceedings of the American Gas Association there is published a penetrating article by Elmo Roper, entitled "As Others See Us." Roper concluded his address by saying: "If there were ever a problem which called for group effort, it is this one. The downward progress of the gas industry cannot be checked by a few alert firms; it must be checked—and I think it could be checked—by determined, aggressive action on the part of the industry as a whole."

Responsibilities in our joint enterprise that should be assumed by gas appliance manufacturers can be defined with a fair degree of accuracy and general agreement, but at the outset we should understand that appliance manufacturers cannot discharge these responsibilities in the absence of general understanding and cooperation on the part of the gas utilities.

When I made a report of Servel's stewardship four years ago I dealt rather spe-

cifically with our conception of the manufacturer's responsibilities. It was then said that we recognized the responsibility to supply increasingly salable equipment as means for increasing gas sales, for improving gas load characteristics and for retaining existing gas loads. It is the manufacturer's job to improve performance characteristics, to reduce operating costs, to lower service costs and to offer ever-increasing values to the public. At that time I submitted specific records of improved performance, decreasing operating costs, declining service requirements and reduced factory prices, and, while I shall not take time today to refer to such detailed records, you should know that substantial progress has been recorded since I submitted my report of 1939.

The appliance manufacturer should, moreover, make substantial and constructive contributions to industry progress through national and local sales promotion and advertising, and it will be immediately apparent that such contributions can be effective only in the degree to which understanding and collaboration of the utilities can be had.

For the sake of sharper focus let us summarize the responsibilities of the manufacturers as follows:

1. Good design.
2. Consistent maintenance of quality.
3. Economical production.
4. Effective sales promotion and advertising.

All of these activities should flow from long range, consistent planning. They must be characterized by continuity of effort. No phase of the manufacturer's responsibility can be allowed to become static.

Continuity of progress and the requisite dynamics cannot be achieved in the absence of painstaking research and development



E. D. Anderson delivering Dean H. Mitchell's paper

Frank C. Smith, whose address will be published in December

Louis Ruthenburg, President, Servel, Inc.

and, for the best results, research and development should consistently precede definite planning, not only in the fields of product development and production, but in many aspects of sales promotion and advertising as well.

Research and development in any field require the expenditure of substantial amounts of energy and money, but modern business cannot be sustained without such investments, appropriated and expended as wisely as may be possible. Such expenditures are just as essential to the maintenance of a healthy business institution as investments in seed and fertilizer are to farming operations. When proper judgment guides appropriations and expenditures for research and development the returns from such investments will fully justify them.

Generally speaking, the progressive and profitable industries of America are those which have not unduly restricted their investments in research and development.

There wouldn't be a gas refrigerator industry today unless far-sighted utility men and industrialists had been willing to invest substantially in research and development. If an attitude favorable to continuation of large investments in research and development had not persisted on the part of both utility men and industrialists, the remarkable progress that has been made in recent years in the field of gas air conditioning would not have been recorded.

In all probability transition from war goods production to resumption of gas appliance manufacture will take place, not in one great jump, but in a sequence of steps.

Post-War Products Should Be Ready

Uncertain though the future timetable of war may be, our products for post-war production should now be ready, and our plans for at least the initial phase of transition should now be in clear blueprint form.

Moreover, our quantitative and qualitative planning for distribution during the several phases of the transition should have advanced far beyond dreamy conversations and should be ready now for immediate translation into action.

When I began my attempt to define the responsibilities of the appliance manufacturer I said that these responsibilities, although they may be recognized by the manufacturer, cannot be effectively discharged without understanding and cooperation on the part of the utilities.

Here and there among gas utility managements there have been remarkable instances of great vision, courage and effectiveness in the development of gas appliances and in the promotion of gas appliance sales. If such patterns could be generally studied and applied by all gas utility managements, the sale of gas would quickly assume an encouraging upward trend, and the gas industry would soon be glowing with health and optimism.

Too frequently in his contacts with gas utilities the manufacturer meets short-sightedness attitudes of defeatism and opportunism. I have in mind the type of oper-

ator who moans because he feels that he cannot promote the sale of gas refrigerators successfully in the face of cheap electric refrigerator competition. Shortly thereafter this same operator again becomes despondent because gas stoves are being replaced by electric ranges. Such utility men wholly disregard the fact that good salesmen are getting high prices and fat commissions for gas refrigerators in other territories where conditions are closely parallel because they sell the outstanding advantages of gas refrigeration over electric refrigeration. Such gas men are impervious to the fact that the men who are selling electric ranges under their noses are selling them at prices much higher than gas stove prices and despite operating costs two or three times as high, simply because they are selling such intangible and somewhat the theoretical virtues as cleanliness, coolness and safety.

I have in mind also the type of operator who rolls competitive manufacturers of gas appliances over the barrel until he has obtained a price so low that the manufacturer cannot appropriate money for research, decent manufacturing facilities or for the promotion and advertising of his product.

Utility-Manufacturer Cooperation

Utility managements with vision and courage will consistently stimulate the manufacturer to improve his product in quality, function and appearance. Such managements will cooperate with the manufacturer to develop constructive sales promotion and advertising. They will be more concerned with the ability of the appliance to create and maintain the consumer's lasting approval than with the price the consumer pays for the appliance. In the last analysis utility managements are the major factor in determining the types, quality, performance characteristics and prices of appliances sold in their territories, and I submit that these matters are of such vital importance to utility managements that they should have the careful, continuous consideration of top-flight administration.

When utility managements are so short-sightedly price conscious that they deprive appliance manufacturers of the means for continuous research and development, constructive promotion and advertising, or when they do business with the opportunistic appliance manufacturer who baits the trap with low prices and does not contribute to industry progress, that utility management is, in effect, simply entering into a suicide pact with the manufacturer.

Wouldn't it be a fine thing for the gas industry if every utility operated with the benefit of its own powerful, imaginative Board of Appliance Sales Strategy? Such boards, as I visualize them, would insist upon constant, intensive research as the initial activity in the development of long term planning, dedicated to the maximum sale of gas appliances in the utility's territory. The highest administrative officer of the gas company would assume personal responsibility for the activities of this board and would preside at its meetings. This

Board would establish high standards of quality, function and appearance for all gas appliances sold on the lines of the utility it serves. It would maintain intimate and continuing contacts with the A. G. A. Research Committee and the Institute of Gas Technology. Comprehensive plans would be developed for effective collaboration with appliance dealers throughout the territory. Such dealers would be constantly stimulated, supervised and checked as to performance. A long range program of institutional and appliance advertising would be projected, designed to bring about a receptive attitude toward gas and a cordial attitude toward the utility on the part of the public served, and every employee of the gas company would be brought to understand that the gas company's performance must in every instance exceed its promise.

It seems very obvious that the gas utility must assume complete responsibility for the sale of gas appliances in its territory. There is no one best way of discharging that responsibility. In Oklahoma, for example, the utilities, although forbidden by law to engage in the actual sale of appliances, have established a most effective pattern

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N. Y.-N. J. Gas Sales Round-Table



R. E. Williams

Williams, new business manager, Binghamton Gas Works, Binghamton, N. Y., chairman of the New York-New Jersey Gas Sales Council, will preside.

Top-flight gas company, manufacturer and outside industry executives will speak at the morning session on such topics as customer surveys, package kitchens, post-war housing possibilities, and gas service policies. Alexander M. Beebe, Rochester Gas & Electric Corp., chairman of the A.G.A. Post-War Planning Committee, will be the feature speaker at the luncheon session.

The entire afternoon will be devoted to an open forum on post-war problems with the following participants: J. P. Leinroth, Public Service Electric & Gas Co., Newark; H. Leigh Whitelaw, managing director, Association of Gas Appliance & Equipment Manufacturers, New York; and Arthur P. Hirose, director of market research, McCall Corporation, New York. Free-for-all discussion will conclude the meeting.

A NEW YORK-New Jersey Sales Managers Round-Table Discussion, sponsored by the Residential Section of the American Gas Association, will be held Friday, November 19, at the Hotel Pennsylvania, New York City. Emphasis will be on preparation for post-war sales. R. E.



Speakers' table at the popular Home Service Breakfast. Inset is Jeannette Campbell, Chairman of the Home Service Committee, who presided at the breakfast meeting

Home Service in War Food Program Keynote of Breakfast Meeting

By JESSIE MCQUEEN

ACCENTING and underlining words of the gas industry's national leaders praising the war record of home service departments, more than 400 people turned out for the Home Service Breakfast October 27 during the Annual Meeting of the American Gas Association in St. Louis. Their attendance at this 8:00 A.M. meeting was further tribute to the value the industry placed on the activities described by Jeannette Campbell, chairman, Home Service Committee, and home service director, Minneapolis Gas Light Co., and supporting speakers. The theme was "Home Service in the 1943 War Food Program."

Later in the Annual Meeting, Arthur F. Bridge, president of the Association, gave point to remarks at the breakfast when he said: "No other representatives of the gas industry have contributed so much to community life and national welfare under war-time conditions. Twelve million customer contacts in one year by our home service personnel is a record which tells its own story." Ernest R. Acker, president-elect and chairman of the Committee on War Activities, added that "the work of the home service departments represents one of the greatest contributions of the industry to the furtherance of the war effort."

This confidence in the work of home service represents a real challenge to home service departments to maintain their fine record of achievement throughout the coming year despite womanpower shortages, food availability and transportation problems.

Climax of the breakfast meeting was the appearance of Billie Burke, star of the Servel radio program "Fashions-in-Rations." Introduced as "our favorite recipe for a cheery breakfast," Miss Burke in her own charming manner called it a privilege to be part

of the "Fashions-in-Rations" program—"to be allowed to feel that in my humble way, I am helping to further a very necessary work."

Continuing Miss Burke said: "One doesn't have to be a great brain to realize that food is a great weapon and the problem of getting the facts about food and rationing to the people is our particular challenge. Of course I'm not bright to be able to give people the facts, but I'm told that if I'm silly enough, perhaps they will listen to the facts. And I hope it's true. After all laughter is a great weapon, too.—A people who can still laugh, will still listen."

In opening the Breakfast meeting, Miss Campbell called upon A. G. A. officers for greetings—President Bridge; Alexander Forward, managing director, and B. A. Seiple, chairman of the Residential Section. Pointing out that the war cannot be won and peace cannot be guaranteed without adequate supply and effective distribution of food, Mr. Forward said, "This problem will be with us and with all the world for years after the last shot is fired. All of you have your work cut out for you for a long time to come, and it will be just as important to your country, to your companies, and to your jobs as are the services of our armed forces. Furthermore, recognition and solution of this problem, so far as it rests in our hands, is of the first importance to the gas industry. You have justified your positions; you are indispensable; our future as an industry is largely in your hands."

Preservation of food as an important part of the war food program has been a major job for home service this last year. As Miss Campbell phrased it: "Home service will always remember this summer of 1943 as the year we canned. Probably, we were

as close to the thirty million new canners as any group giving instructions because a large proportion of this new group, as well as the many thousands of canners of other years, were on our city gas lines."

Mrs. Doris Heidrick, Gas Service Company, Wichita, Kansas, outlined various types of canning centers in that area which provided the means of canning innumerable quarts of food and saving a huge number of ration points. Two subjects—the "Loan of Pressure Cookers" and "Display and Advertising of Canning Information," were developed by Miss Campbell, who outlined the details of procedure in the purchase and loan of one hundred pressure cookers to customers of the Minneapolis Gas Light Company. She pointed out the importance of instruction in the use of loaned cookers, illustrated with large blow-ups of food pictures taken in the home service department and colored for display purposes. From August 4th to October 13th, 12,449 quarts of food were canned as a result of the loan of pressure cookers, Miss Campbell said.

Mercedes Bates, home service director, Southern California Gas Company, Los Angeles, reported on the procedure of testing and disseminating oven dehydration information in the California area where it was particularly useful. Miss Bates mentioned specifically the interest of the high school and college home economics departments following the research work done and in making use of the instruction received in home service demonstrations. One cafeteria supervisor in a California high school preserved food by oven drying on shares,—her customers contributing the product and she providing the appliance and labor with half of the food preserved retained for school cafeteria use. In this way, 3,206 pounds of



food, including apricots, string beans and corn, were dried successfully.

Ruth Sheldon, Washington Gas Light Company, was introduced in the dual capacity of author of the Food Preservation Report of the 1943 Home Service Committee and also as incoming chairman of the Home Service Committee. Miss Sheldon explained that the new home service Plan of Work begins with a survey of food preservation methods and results. Data from this survey, together with recommendations for committee work on food standards, food spoilage, rehydration of dried foods, and more effective Victory Gardens, will be made available to the industry early in the Spring.

The second part of the committee's work plan is that of assembling wartime demonstrations including visual aids to supplant actual food in demonstrations. The third phase of the Home Service Committee program is a study of work for young people to cope with a situation where many children now are preparing family meals and selecting food under rationing because their parents are working in defense plants.

In closing, Miss Sheldon said: "We all realize that there is in sight no relaxation of controls and pressure on the home front and a major job of home service this next year is to continue to help people understand the why and what of rationing—of conservation of food through preservation—of utilization of food to avoid waste, of helping the youngsters in their home jobs. We intend to prove again that gas company home service departments—in all wartime goals—are on the beam."

Outlines Food Program

Evelyn Blewett, of the War Advertising Council in New York, outlined plans for the national program "Food Fights for Freedom"—scheduled for peak promotion in November. That home service has a place in this program was well outlined first—to inform the public on why food is a weapon. Second—to inform the public on how to cooperate actively in making the best possible use of food.

Greatly assisting in the operation of the Home Service Breakfast was the committee of eighteen home service directors assigned to act as hostesses of the breakfast:

Lemabel Parry, The Peoples Natural Gas Co., Pittsburgh
Inez Somers, the Consumers' Gas Co. of Toronto, Canada
Ellen Fletcher, Louisiana Power & Light Co., New Orleans
Katherine Heffernen, Wisconsin Public Service Corp., Green Bay
Florence Windecker, The Tappan Stove Co., Mansfield, Ohio
Mary Dilley, Central Illinois Light Co., Springfield
Hulda Ungericht, The Ohio Fuel Gas Co., Columbus
Frances Cowing, Servel, Inc., Evansville, Indiana
Betty Boyle, Wyandotte County Gas Co., Kansas City, Kansas

Mrs. Margaret Crooks, Iowa-Illinois Gas & Electric Co., Rock Island
Kathryn Barnes, Equitable Gas Co., Pittsburgh
Irene Muntz, Rochester Gas & Electric Corp., Rochester
Irene Kennedy, The Hartford Gas Co., Hartford, Connecticut
Mary Hall, Elizabethtown Consolidated Gas Co., Elizabeth, N. J.
Joie Kammer, New Orleans Public Service Inc., New Orleans
Mary Louise Hurster, The Laclede Gas Light Co., St. Louis
Ruth Shank, The St. Louis County Gas Co., Webster Groves, Missouri.

To the American Stove Company thanks are extended for the buttonhole flowers and corsages for the hostesses.

Home Service Round-Table

A Round-Table Discussion for home service on Tuesday afternoon during the Annual Meeting provided an opportunity for informal discussion on several phases of home service work of special importance at this time.

Methods of securing audiences, explanation of food rationing information, demonstrations of care and use of equipment, and revival of home calls, were subjects of particular interest.

FOUNDATION FOR SALES

(Continued from page 449)

ards of installation that will result in customer satisfaction.

Through the Architects' and Builders' Section, it is the policy of the company to periodically contact architects, builders, and engineers and to maintain cordial relations with these people so that we may be well informed of all new projects substantially in advance of their actual materialization.

Of course an important phase of these contacts is to influence those people having to do with new construction in the selection of gas for all domestic uses, and to further see to it that when the specifications are written that they include only that equipment which our experience has indicated will properly serve the job.

In conclusion, you be the judge. The following tabulations show the results of these five years of experimentation, years 1937 to 1941, inclusive:

TOTAL GAS APPLIANCE SALES—CHICAGO

	Total Sales Including Peoples Gas	Sales Peoples Gas	% Peoples Gas to Total
1937	\$ 4,800,000	\$1,500,000	31
1938	5,600,000	1,500,000	26
1939	8,800,000	1,600,000	18
1940	11,500,000	1,800,000	16
1941	14,500,000	2,700,000	18
	Up 200%		Down 45%

GAS RANGE SALES—UNITS

	Total Sales	Peoples Gas Sales	% Peoples Gas to Total
1937	69,300	6,600	9
1938	82,700	5,000	5
1939	102,500	5,200	5
1940	116,000	6,800	6
1941	129,000	9,000	7
	Up 86%		Down 22%

GAS RANGE DEALERS AND MANUFACTURERS

	Dealers	Manufacturers	Unit Sales Price Peoples Gas
1937	59	16	\$106.00
1938	130	31	109.00
1939	412	31	117.00
1940	470	32	120.00
1941	492	32	128.00
	Up 730%	100%	Up 20%

Total market appliance sales	Up 200%
Per cent of Peoples Gas sales	Down 45%
Gas range sales in units	Up 86%
Per cent of Peoples Gas range sales in unit	Down 22%
Number of gas range dealers	Up 730%
Number of manufacturers in the market	Up 100%
Peoples Gas unit sales price of range	Up 20%



Industrial & Commercial Gas SECTION

CHARLES G. YOUNG, *Chairman*

HARRY K. WRENCH, *Vice-Chairman*

EUGENE D. MILENER, *Secretary*

Industrial and Commercial Gas Meetings Attract Large Attendance

THE Industrial and Commercial Gas Luncheon on Tuesday, October 26, which opened the industrial and commercial gas sessions during The Annual Meeting in St. Louis, was one of the largest ever held. Presided over by Ben H. Gardner, vice-president, Columbia Engineering Corporation, Columbus, Ohio, who is chairman of the Industrial and Commercial Gas Section, the head table was occupied by a distinguished group of men representing industrial and commercial gas activities, gas company and equipment company executives and representatives of the Army, Navy and War Production Board.

Taylor Keynote Speaker

Keynote speaker at the luncheon was Paul R. Taylor, director, Natural Gas Division, Office of War Utilities, War Production Board, Washington, D. C., who gave an interesting and authoritative talk on "The Industrial and Commercial Gas Outlook for the Remainder of the War Period." Mr. Taylor told of the steps being taken by the Office of War Utilities, with the cooperation of the Ordnance Department and other government agencies, to assure that adequate supplies of gas would be available for the duration for direct war production and for essential civilian needs.

Mr. Taylor predicted that the efforts of the government, working with the utilities, would be successful and that there would be very little restriction indeed in war

By EUGENE D. MILENER

Secretary, Industrial and Commercial Gas Section

production because of shortage of gas supplies. He assured those present that his office and the offices of his staff were always open to gas men for the quick and equitable solution of mutual problems. The vigorous applause which followed Mr. Taylor's address was evidence that the industrial and commercial gas men have confidence in him and believe that the matter of gas supplies for war plants and for mass feeding is in good hands.

One of the outstanding papers of the entire Annual Meeting was entitled "The Revolution in Industrial Heating" and was presented by Frederic O. Hess, president, The Selas Company, Philadelphia, Pa. Pointing out that the vast forces at work on production of war materials are so great that very radical changes in industrial heating technique, and therefore in economics, are taking place and that we as an industry must see and recognize them. Many effects of these radical changes are already "actual," pointed out Mr. Hess, and important changes are clearly indicated for the future. This paper was illustrated with slides that gave a new insight into some of the entirely new and profound methods of applying industrial gas. The paper will

be printed in full in the December issue of the MONTHLY.

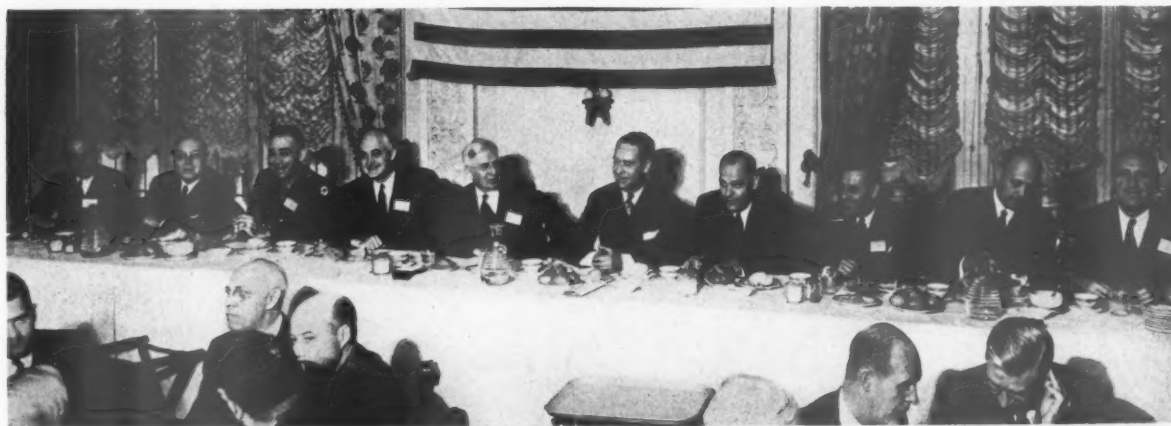
H. Carl Wolf, president, Atlanta Gas Light Company, Atlanta, Ga., presented the report of the Section's Nominating Committee. Mr. Wolf explained that originally George F. B. Owens, The Brooklyn Union Gas Company, had been chairman of the Nominating Committee, but is now serving as a naval officer in the South Pacific.

Young Elected Chairman

Nominations, that received unanimous vote, were as follows:

For Sectional vice-president of the Association and chairman of the Industrial and Commercial Gas Section—Charles G. Young, manager, Springfield Gas Light Co., Springfield, Mass.; For vice-chairman—Harry K. Wrench, president, Minneapolis Gas Light Co., Minneapolis, Minn. Following their election, Messrs. Young and Wrench briefly addressed the members of the Section and their guests.

The report of a Subcommittee on Food Service Equipment Plans for the Post-War Period was made by Roy E. Wright, New England Gas and Electric System, who is chairman of the Food Service Equipment Committee. Going far beyond the printed post-war planning report, the energetic chairman shot straight from the shoulder and told his audience a few facts concern-



Speakers' table at the Industrial and Commercial Gas Luncheon during the Annual Meeting

ing commercial cooking and baking. His points struck home.

Material was then presented by chairman of three of the committees of the Industrial and Commercial Gas Section. These were: Metal Treating and Melting Group and Subcommittees—J. P. Brosius, Equitable Gas Co., Pittsburgh, Pa.; Industrial Gas Space Heating Committee—Henry O. Loebell, New York, N. Y.; National Advertising Committee—J. P. Leinroth, Public Service Electric & Gas Co., Newark, N. J. In these presentations the industrial gas meeting at the National Metal Congress in Chicago the week previous was reviewed and copies of the report of the Metals Treating Group were distributed.

Mr. Loebell brought up to date the studies which his committee is making on load factors of industrial and commercial space heating for various types of installations, various temperatures maintained and various hours of usage. When studies of this committee are completed they will be published in full and made available to the industry.

Mr. Leinroth exhibited copies of A.G.A. advertisements which are being run this Fall in industrial and commercial gas magazines. In his remarks he explained the theme back of these advertisements and stated that his committee would be glad to have comments and suggestions concerning the campaign from gas companies and from members of the Section.

The session was completed by a featured "Industrial and Commercial Gas Round Table" for everyone present. Franklin T. Rainey, The Ohio Fuel Gas Company, Columbus, Ohio, was the leader. During this period, discussion was held on all of the papers which had been heard earlier and a number of other subjects of present and future interest to industrial and commercial gas utility men and manufacturers were analyzed. The session adjourned with the general feeling that it was one of the best industrial and commercial gas sessions ever held at an A. G. A. Annual Meeting and a rousing vote of thanks went to the Chairman of the Section, Mr. Gardner.

metals in the war and he concluded by paying high tribute to the American Gas Association and its members for their tangible contributions through the years in the form of industrial research, equipment engineering, and engineering services to the metal plants of the country.

Technical subjects discussed covered the whole range from the tremendous open hearth furnaces discussed by the chairman of the A. G. A. Metals Treating and Melting Group, John P. Brosius, Equitable Gas Company, Pittsburgh, to a tiny radiant tube the size of a lead pencil, described by Nelson R. Gorsuch, Citizens Gas & Coke Utility, Indianapolis, Indiana. Mr. Brosius described the work of his Metals Treating Committee and its three sub-committees: No. 1 on Heat Treatment of Aluminum and Magnesium and Their Alloys, led by C. George Segeler, American Gas Association; No. 2, led by F. W. Marklin, Philadelphia Electric Company, which worked on high speed, direct heating; and No. 3 on use of gas heat-treating equipment in educational institutions led by Robert C. LeMay, Connecticut Light & Power Company.

Industrial Gas Men Active at National Metal Congress



C. H. Lekberg

IN lieu of the traditional Industrial Gas Breakfast this year at the National Metal Congress in Chicago industrial gas men from all parts gathered for an important meeting which covered many subjects that apply to gas in the production and heat treating of metals. Billed as "The Industrial Gas Round Table," the gathering soon took on the aspects of a town meeting as the crowd filled the room in the Palmer House to overflowing.

Under the skillful guidance of Carl H. Lekberg, Northern Indiana Public Service Company, whose vigorous gavel-wielding technique finally broke the gavel in two, experts in industrial gas utilization presented to the members of the Industrial and Commercial Gas Section data and information on many of today's war production heat treating problems and projected technical subjects and sales plans into the days when war production will give way to peace-time manufacturing.

Ben H. Gardner, Columbia Engineering Corporation, Columbus, Ohio, and chairman Industrial and Commercial Gas Section, welcomed the industrial gas men and guests from the National Metal Congress. Mr. Gardner said "Those of us who are associated with the Industrial and Commercial Gas Section of the American Gas Association, both manufacturer representatives and

utility representatives, take a great, and we think a pardonable, pride in the part we have had in equipping our nation for its greatest industrial effort—an effort on which its very life has depended. We feel that the manufacturers of gas-fired industrial equipment and the industrial sales engineers of the gas industry have given to our great munition producers a service that has been of tremendous help and has assisted in the making of our national record—a record of an enormous output of the tools of war. When this war is finally over, we will surely face a most interesting period of reconstruction, a period in which there are bound to be great developments in the use of new metals and alloys, and some very revolutionary changes in methods of heat treating. I feel sure that in this coming period which we are facing, our gas fuel will continue to hold its own as the preferred fuel, and that the industrial sales engineers of our gas equipment manufacturers and of our gas utilities will continue to make their full contribution to the solution of future problems and to the continued preeminence of American industry."

Mr. Gardner introduced Dr. A. E. White, past president of American Society for Metals, and noted director of the Department of Engineering Research, University of Michigan. He pointed out that it is men like Dr. White whose metallurgical pioneering during both World Wars and the years in between have made it possible for industry to produce the many high grade arms and munitions for prosecuting the war. Dr. White's talk expanded the vision of every one present with respect to quality

Gas in Aluminum Field

Mr. Segeler later made a complete report of the work done in the aluminum and magnesium fields with gas. This report will be printed in full later this year and made available to the industry. In addition to technical advancements described by Mr. Segeler, he made the unqualified statement that a majority of the aluminum heat treating done on this continent is now done with gas and that the percentage is increasing steadily.

Two panels, the membership of which represented real leadership in industrial gas, were held. One was composed of gas utility men, their subject being "Post-War Problems Industrial Gas Will Face" and the other was composed of leading manufacturers of gas heat-treating equipment whose subject was "As Manufacturers See Industrial Gas Equipment of the Future." Nine men took part in these panels, each making an initial five-minute presentation and later taking part in a lively, open question and answer period conducted by Chairman Lekberg. The participants were: Al Schuetz, Milwaukee Gas Light Co.; "Boney" Gorsuch, Citizens Gas & Coke Utility, Indianapolis, Indiana; Lloyd French, Union Gas Co. of Canada Ltd., Chatham, Ontario; "Larry" Foote, Central Illinois Electric & Gas Co., Rockford, Ill.; W. A. Darrow, Continental Industrial Engineers Inc., Chicago, Ill.; Harry W. Smith, Jr., The Selas Co., Philadelphia, Pa.; Henry M. Heyn, Surface Combustion, Toledo, Ohio; Ed McLean, National Machine Works, Chicago, Ill.; Slade Gamble, Lindberg Engineering Co., Chicago, Ill.

The variety of subjects covered by these panels, and the interest shown in the presentations and the large number of questions asked, caused the meeting, with the assent of all present, to run well over the scheduled time. Abstracts and digests of the presentations will be given at a later date.

Gassings AT THE METAL CONGRESS

"Boney" Gorsuch said a whole lot when he told the fellows "When cost plus fixed fee goes out, a lot of industrial gas is going back in."

Carl Lekberg was complimented from all sides for the fine job he did presiding at "The Industrial Gas Round Table." Lek says the only trouble was it was a big meeting and not a round table.

Ben Gardner made a swell introduction of Dr. A. E. White and Dr. White followed with a bang-up talk.

Henry Heyn took the fellows up to the top of the mountain so they could look over at eight things for the future. Most everyone wished he could have talked at length on each of the eight.

George Segeler left everyone feeling that we are at last in the groove in the aluminum and magnesium fields.

It was amusing to see the scorn with which John Brosius answered the man who asked if Equitable Gas Company used combination gas and oil burners in their open hearth firing. Incidentally, he pulled no punches about the relative position and trend of open hearth alloy steel vs. electric alloy steel. It was easy to see that public ballyhoo has made no impression on John. He quoted the facts.

Most speakers started by modestly disclaiming any intention of being a post-war prophet, and then proceeded to give 'em the works.

Larry Foote coined the phrase "constructive pessimism." Said such an attitude was necessary because in post-war industrial gas will have to meet a competition that will be completely ruthless. Note: That won't apply to Larry—not with his good wife Ruth around.

At the close the crowd voted that this form of meeting really covered the bill, and next year the Industrial and Commercial Gas Section will be governed accordingly until the traditional Industrial Gas Breakfast can begin again.

Papers on sessions of the Metal Congress, other than the A. G. A.'s Industrial Gas Session were of interest to attending gas men in Chicago. Surface hardening, aluminum and magnesium heat treating, silver soldering, and improved furnaces all came in for attention.

Promoting the Story of Industrial Gas Furnaces

IN an unusually fine booklet entitled "The Heat Treating Furnace, Yesterday, Today and Tomorrow," Surface Combustion distributed a message to those attending the National Metal Congress that took the thinking of visiting metallurgists back to fundamentals. The following introduction is noteworthy:

"The best furnaces will always be built around a few fundamentally sound principles. A furnace is really a metallurgical machine, a machine for applying heat to metal in a scientific manner, and the design of a successful furnace starts with the heating equipment."

Pointing out that industrial gas furnace engineering before the war made furnaces ready for the war load, the booklet gave a number of striking examples. One such typical example is the following:

"One furnace originally designed with a far different purpose in mind, was converted to war production, and as

the fifth year of war begins, is turning out 82 miles of 50 calibre machine gun bullet clips a day."

Industrial and Commercial Gas Advertising for November

The National Advertising Committee of the Industrial and Commercial Gas Section, J. P. Leinroth, chairman, and F. B. Jones, vice-chairman, announces that full page advertisements will appear in the trade and business magazines listed below during the month of November. These advertisements are prepared in cooperation with the Committee on National Advertising as a part of the industry's national advertising campaign.

MAGAZINE

BUSINESS WEEK (Nov. 13)

INDUSTRIAL HEATING
METAL PROGRESS

METALS & ALLOYS

GLASS INDUSTRY

THEME

General Manufacturing

"His job is Better GAS Use . . . Maybe you can use his skill!"

Metals Industry

"What can GAS furnaceless heating do for a war producer?"

"To conserve GAS For Greater War Production . . . make sure you use it efficiently."

Glass Industry

"Blueprint for post-war GLASS. GAS-fired equipment, keeping pace now, will march along with new advances of the industry."



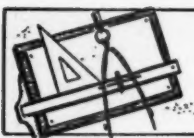
600,000 lbs. of gas melted steel forms the world's largest steel casting.

Gas Melts Steel for World's Largest Forging

IT has just been brought to light that the greatest mass of steel ever poured into one mould was heated in natural gas open hearth furnaces at the West Homestead, Pa., foundry of Mesta Machine Company.

As reported by M. A. Washabaugh of Equitable Gas Co., Pittsburgh, this immense casting weighs 600,000 lbs. and was poured simultaneously from four ladles, these ladles having been supplied from four natural gas open hearth furnaces. Well-laid plans were necessary to assure that there would be no hitch when pouring time arrived. The fine furnace construction and precise firing methods, long ago established at Mesta, played no small part in the success of making this immense casting.

This world's largest steel casting is now part of a 12,000 ton forging press in one of Pittsburgh's large war production plants.



Technical SECTION

CHARLES F. TURNER, *Chairman*

L. E. KNOWLTON, *Vice-Chairman*

A. GORDON KING, *Secretary*

Gas Engineers' Role in War and Peace Discussed at Technical Meetings

"The Gas Industry can keep going as long as the Technical Section can keep going."

THIS statement emphasizing the fundamental importance and indispensability of the gas industry's engineers was made at the first Technical session during the Annual Meeting held in St. Louis, Mo., October 26-28. Made by John B. Klumpp, first chairman of the Technical Section and fifth president of the American Gas Association, it recognized a quarter-century of continuous scientific progress since the Section was organized.

The two meetings, held Tuesday afternoon and Wednesday morning, October 26 and 27, bore ample evidence of this progress as they were studded with reports on vital chemical, production and distribution studies. Harold L. Gaidry, chairman of the Technical Section, and gas engineer, New Orleans Public Service Inc., presided at both sessions.

Charles F. Turner, The East Ohio Gas Company, Cleveland, was elected chairman of the Section for the new term and L. E. Knowlton, Providence Gas Co., Providence, R. I., was named vice-chairman. As a symbol of office, Mr. Turner was presented with an engraved gavel by retiring Chairman Gaidry. In turn, Mr. Gaidry received a fine desk barometer from officers of the Section in recognition of his splendid work during two terms as chairman.

Post-War Machinery Set Up

In his opening remarks, Chairman Gaidry stressed the important role of the technical man in solving war problems and stated that the machinery for post-war planning had been set up under the chairmanship of John V. Postles, The Philadelphia Gas Works Company.

In the absence of E. W. Zimmerman, Eastern Gas & Fuel Associates, Everett, Mass., chairman of the Production Committee, the vice-chairman, F. J. Pfluke, Rochester Gas & Electric Corp., summarized the printed report of the committee. This report, including valuable production data, is available at Association headquarters.

The manufactured gas industry faces an unparalleled possibility of a rich harvest in the post-war era. E. Holley Poe, director, Natural Gas and Natural Gasoline Division, Petroleum Administration for War, Washington, D. C., told the technical men. Speaking on "Chemical Horizons in the Manufactured Gas Industry," Mr. Poe, who has just

accepted an important new post in the PAW, called attention to the preponderance of coal reserves in the nation's fuel resource picture, and suggested that early consideration be given the potentialities of this solid fuel in the gas industry. "Industry-wide conversion to solid fuels in the manufactured gas industry is neither feasible nor necessary in the immediate post-war period," he said, "but the time is now ripe to investigate all phases of coal technology with a view to their inevitable application."

"It is my opinion," Mr. Poe continued, "no industry in this country is better equipped to make a bid for tomorrow's probabilities than today's manufactured gas industry. Now, in periods of off-peak loads, many water gas sets, together with their related

utilities, stand idle. They are, then, available for the production of liquid hydrocarbon fractions to be used directly for gas enrichment, and are thereby capable of offsetting increasing production costs brought about by increased costs of natural gas, heavy oil and gas oil.

"In addition, during certain months of the year, standby sets could produce water gas for the production of liquid hydrocarbon fractions, which could then be processed into the various grades of fuels by existing refinery installations or stored for future use. This standby equipment could also be used to produce methanol which, when converted into formaldehyde, would make available large quantities of this chemical, of prime importance to the plastic industry." Many other recently developed processes could be incorporated into the modern gas plant, Mr. Poe pointed out, not only to produce chemicals, but also to increase operational efficiency. His concluding words were "Give research the go sign!"

Benjamin Miller, of the Institute of Gas Technology, Chicago, read a progress report on methods of determining organic sulfur components in gas, prepared by C. H. Riesz and Cornel Wohlberg of the Institute staff. This report was a contribution of the Organic Sulfur Subcommittee, Dr. E. W. Guernsey, Consolidated Gas Electric Light & Power Co. of Baltimore, chairman, and has been published in the report of the



Left—Charles F. Turner, newly elected Chairman of the Technical Section



Harold L. Gaidry, retiring Chairman, looking at the desk barometer presented him by officers of the Section. At right is John B. Klumpp, first Chairman of the Section and fifth President of the American Gas Association



Left to right: Alexander Macomber, Washington; C. D. Robison, Omaha; E. Holley Poe, general manager, Petroleum Reserves Corp., Washington; L. M. Harris, Paterson; H. D. Lehman, Philadelphia, chairman, Gas Conditioning Committee; Dr. A. W. Gauger, State College, Pa.; T. L. Robey, Washington, chairman, Chemical Committee. Pictured at left below Mr. Macomber is A. C. Cherry, Cincinnati



J. D. Von Maur, Toronto, and J. V. Postles, Philadelphia, chairman, Technical Post-War Planning Com. F. J. Pfluke, Rochester, vice-chairman, Gas Production Committee, and L. J. Willien, Chicago
At left is Benjamin Miller, Institute of Gas Technology, Chicago



Left to right: W. R. Teiler, Cleveland; John H. Eiscman, U. S. Bureau of Standards, Washington; Dr. E. W. Guernsey, Baltimore, chairman, Organic Sulfur Subcommittee; R. Van Vliet, Staten Island, N. Y.; S. P. Cobb, New York; R. G. Griswold, New York. At left, below Mr. Miller, is H. B. Noyes, Washington



Left to right: C. H. Waring, Kansas City; W. M. Little, Shreveport; Jeff Collins, New Orleans, chairman, Subcommittee on Meters and Metering; J. B. Boniface, Newark; H. H. Ferris, Newark. At the extreme left is Linn Edsall, Philadelphia, chairman, Committee on Operation of Public Utility Motor Vehicles

Committee on Gas Conditioning, H. D. Lehman, The Philadelphia Gas Works Co., chairman.

The first session concluded with a report on the status of the mixed gas research project by H. O. Loebell, chairman of the Joint Committee on Research on Mixed Gases and Standard Test Burner. Two major objectives govern the nature and scope of the research now in progress, namely:

- (1) To determine the limiting compositions of various types of replacement gases which can be interchanged with natural gas, or with natural gas mixed with other gases currently being distributed, either completely or in varying proportions, without adversely affecting the performance of consumer's appliances, and
- (2) To make available to gas company operating departments some type of indicating or recording device which will afford a ready means of determining limits of interchangeability for plant control of mixing practices.

Comprehensive studies of these objectives are now under way and results will be made available as promptly as possible, Mr. Loebell reported.

The second session opened with a brief summary of the Report of the Chemical Committee by T. L. Robey, Washington Gas Light Co., chairman. This report is in printed form and was distributed to those present.

Oil Cracking Tests

L. J. Willien, head consultant on manufactured gas, War Production Board, Washington, D. C., presented an analysis of "Laboratory Cracking Tests on Gas Enriching Oil at Normal and Short Time of Contact." The purpose of the tests was to determine whether gas enriching oil could be more completely gasified by cracking at higher temperatures and shorter time of contact than is used with present normal carburetted blue gas operation. The results, Mr. Willien said, "indicate that little or no increase in gas enriching value of the oil was obtained." His report has been printed and is available.

A substantial part of the program at this session was devoted to a symposium on post-war planning under the chairmanship of Mr. Turner, vice-chairman of the Section. Opening the presentations, J. V. Postles, chairman of the Technical Section Committee on Post-War Planning, listed the post-war studies now under way and stressed the importance of new work undertaken. Mr. Robey discussed chemical phases of the projected studies; Mr. Pfluke reviewed the gas production program; and A. C. Cherry, Cincinnati Gas & Electric Co., vice-chairman, Distribution Committee, reported on distribution problems.

A. M. Beebe, chairman, A. G. A. Post-War Planning Committee, outlined the program of his committee and stated that he was relying on the Technical Section for help in solving chemical, distribution and gas production problems. He emphasized the importance of thinking in terms of com-

bined gas service for the home and termed the house heating load as vital to the future of the gas industry.

Hall M. Henry, chairman of the Post-War Planning Subcommittee on Engineering and Economic Phases of the Gas Industry, pointed out that three of the five major objectives of his group concerned the Technical Section, namely:

1. Determination of the economics of production and distribution of gas as they presently exist.
2. Development of a research program looking to the lowering of production and distribution costs.
3. Determination of the economics of the heating load.

He called attention to the results of a survey of the Section's membership which indicated that the problem of up-grading low B.t.u. gases without the use of oil was considered of first importance for research. Next in line, the survey revealed, is the problem of determining the most economic B.t.u. gas to manufacture and to distribute.

Mr. Henry said that \$15,000 had been appropriated this year for sulfur research which he considered of major significance. Mr. Loebell has been appointed chairman of a subcommittee to develop the economics of house heating, and F. M. Rosenkrans, of Kansas City, is head of a new Subcommittee on New and Improved Appliances. These and other groups are contributing to the engineering and economic phases of the post-war program, results of which will be published later.

Adequate Oil Available

At this point in the program, Alexander Macomber, director, Manufactured Gas Division, Office of War Utilities, War Production Board, made a surprise appearance and spoke briefly to the technical men. He brought the welcome news that there will be adequate oil to operate gas plants, declaring that there is an abundance of heavy residual oils this year as compared with last but there might be some difficulty in getting light oil.

In the absence of H. B. Andersen, The Philadelphia Gas Works Co., chairman of the Distribution Committee, the vice-chairman, Mr. Cherry, reviewed the printed Distribution Committee report and conducted the symposium on distribution studies. As part of this symposium, J. H. Collins, New Orleans Public Service Inc., presented a most valuable review of developments pertaining to tin in solder, including a comprehensive review of experiments with low content solder in meter repair work. Extracts from this report will be published in an early issue of the MONTHLY.

R. F. Hadley, Susquehanna Pipe Line Co., chairman of the Subcommittee on Pipe Coatings and Corrosion, and a Beal Medal winner for corrosion research, presented a progress report of the work of his committee.

Winding up the Technical sessions, Linn Edsall, Philadelphia Electric Co., chairman of the Committee on Operation of Public Utility Motor Vehicles, called attention to the printed report of the committee and gave a preview of activities planned for the forthcoming year. Mr. Edsall also brought the

delegates up-to-date on recent WPB, ODT and OPA regulations.

The present situation of the utilities in regard to motor vehicle operation continues to be favorable, Mr. Edsall reported, although gasoline production and stocks for civilian use are low, and a poorer quality of gasoline will undoubtedly be forthcoming in the next few months. In the latter connection, he said that Order M-354, issued October 11 by WPB, places various gasoline gum inhibitors under allocation and permits their use only as approved by WPB.

Referring to the tire situation, Mr. Edsall declared that apparently ample stocks of synthetic rubber are available for making tires, but tire manufacturing capacity is not available for using these stocks, nor has an entirely satisfactory heavy truck tire been made of synthetic rubber as yet. OPA anticipates a shortage of 6,400,000 passenger car tires and 1,500,000 truck tires by the end of this year, he said. In his opinion, the tire situation will be eased before the end of 1944.

Administrative Order 9 of ODT, issued October 18, Mr. Edsall explained, clarifies the "record" procedure. "Insofar as utilities are concerned," he said, "this specifically exempts operators from making any regular reports of vehicle operation to ODT, but requires that records be kept of (a) mileage for each vehicle owned or operated; (b) record of total motor fuel consumed by all vehicles owned and of idle equipment and tire inspections." The order also provides that the records may be kept in any convenient form but shall be kept on a weekly or shorter basis, he continued. It further provides that unused ration orders, coupons or stamps shall be returned to the local ODT district office within five days after the end of each calendar month.

The production of additional trucks and trailers has been authorized for the last six months of 1943 and during 1944, Mr. Edsall said. He also discussed replacement part stocks, expressing the opinion that they are not at the critical point as WPB has recognized that such stocks must be replenished. In conclusion, he urged those in the industry to submit questions on their automotive problems to the committee for consideration.

T. E. Cavanaugh Dies

T. E. CAVANAUGH, chief inspector of The Canadian Western Natural Gas, Light Heat & Power Co., Ltd., Calgary, Alberta, Canada, died August 27 followed a lengthy illness. He was 58 years of age.

Mr. Cavanaugh followed his trade of plumber and gasfitter in Homestead, Pennsylvania. He also worked on the installation of hydraulic elevators in the United States and Canada. His association with The Canadian Western Natural Gas Company in Calgary commenced in 1912. He was always a good "Gas man" and made many close friendships in the trade.



Laboratories

GEORGE E. WHITWELL, *Chairman*

R. M. CONNER, *Director*

F. A. ALLEN, *Supervisor, Pacific Coast Branch*

Laboratories Distribute Research Bulletins

LATEST published results of studies in progress under the sponsorship of the American Gas Association's Committee on Domestic Gas Research are now available through the following additional research bulletins:

No. 17—Automatic Flash Tube and Pilot Ignition of Oven and Broiler Burners on Manufactured Gas

No. 19—Effect of Cold Inlet Water on Performance of Automatic Storage Gas Water Heaters

Bulletin No. 17 is the eighth of a series of bulletins issued on Domestic Gas Research and the second devoted specifically to flash tube lighting. Various methods of automatic ignition of oven and broiler burners are reviewed together with the development of flash tube applications and resulting field experiences. Results of intensive study of the effects of various factors such as size and shape of flash tubes, relation between their diameter and length, tube restrictions and many others are presented together with recommendations to be followed in the design of flash tube systems to secure best performance. Thorough scientific data are now made available for the first time for use in meeting many of the problems frequently encountered.

Flash-Tube Tests

Based on the information secured in this study, successful applications of flash tube systems for oven or broiler ignition were made on three modern ranges. Extensive tests designed to reproduce field conditions conducted over a number of months proved highly satisfactory indicating the soundness of the information obtained. Its application should prove most valuable in obtaining still further improved automatic oven lighting of post-war ranges.

Representing the third research bulletin on Domestic Gas Water Heating Research, Bulletin No. 19 presents much new and original data on the effects of inlet water at a temperature slightly above freezing on the performance of gas storage water heaters. Commonly used types of storage systems were considered in this study and operating data obtained on representative models. Considerable variation was found between performance of external and internal flue type heaters. Importance of adequate flue space was definitely established and new and fundamental data presented for use in the design of heaters to insure their improved performance. Influ-

ence of the amount of flue surface in contact with cold water is fully described.

Additional information on condensation produced by very cold inlet water in the storage tank and methods usually employed for its disposal are briefly reviewed in the bulletin. Comparative efficiency figures on various heaters using very cold inlet water as contrasted to water at temperatures normally encountered in service are also presented.

Copies of these two new bulletins may be obtained from the American Gas Association Testing Laboratories, 1032 East 62nd Street, Cleveland (14) Ohio, at \$1.25 each, plus postage.

Air Conditioning Bulletin Published

BULLETIN No. 18—"Gas Summer Air Conditioning" now available to the industry is the largest and most complete research publication yet issued by the American Gas Association Testing Laboratories.

This bulletin summarizes two years' intensive study conducted under the supervision of the Joint Committee on Gas Summer Air Conditioning and its Technical Advisory Committee which represent the Industrial and Commercial Gas Section and the Residential Section on Gas Summer Air Conditioning Research. The new bulletin presents information of real value to all interested in the summer air conditioning field. It is especially timely in view of the importance of air conditioning to so many consumers and the rapid growth of this industry anticipated in the post-war period.

Cooling Results Given

Opening with a short review of developments in summer air conditioning equipment for use with gas fuel, a description is given of contemporary models tested, these representing the products of three well known manufacturers. Complete results of numerous cooling capacity tests on four separate air conditioners are given in detail. These demonstrate clearly the flexibility of the systems examined under most field conditions usually encountered in practice. Their durability, substantial construction and safety of operation are also clearly shown.

From Laboratories' tests and information collected through the committee and from other sources, operating costs of the sys-

tems examined are shown to compare favorably with competitive equipment using other forms of energy. Attention is directed to advantages offered by gas-fired units in providing year-round air conditioning as well as possibilities of better humidity control.

A special feature is provided by inclusion of a section entitled "General Air Conditioning Technology" contributed by one of the members of the Joint Committee on Gas Summer Air Conditioning. This presents definitions of terms in common use, fundamental calculations and explanations of air conditioning processes. It may be secured in reprint form separately if desired.

Kirk Joins Navy



Lt. Kirk

WALTER B. KIRK, assistant chief research engineer of the American Gas Association Testing Laboratories, has been commissioned a Lieutenant, Junior Grade in the U. S. Navy. Volunteering for special duty, he reported to Princeton University on September 15, 1943,

for basic training and indoctrination following which he is slated for sea duty as deck officer on one of our fighting "Small Craft." His numerous friends, both in the gas industry at large and in the Laboratories, find it just like "Walt" to volunteer for duty where the going is tough.

In his association with the Testing Laboratories since January, 1937, Lieutenant Kirk has made numerous acquaintances among gas utility and appliance manufacturer representatives through his research activities. As a result of his outstanding ability, he was appointed in June, 1941, as Assistant Chief Research Engineer. In this capacity he directly supervised the gas summer air conditioning research conducted at the Laboratories and may be credited for a large share in the preparation of Research Bulletin No. 18, "Gas Summer Air Conditioning," just published. He received his Chemical Engineering degree from Case School of Applied Science in 1930.

Before Lieutenant Kirk left the Laboratories to report for Naval duty, a handsome wrist watch was presented to him as a token of esteem from his fellow workers.

SEIPLE ADDRESS

(Continued from page 462)

for the promotion of gas appliances and equipment, regardless of whether they merchandise directly, through dealers, or both.

To bring about a full and complete understanding, we must first erase the old concept that utilities merchandise only for load building and without regard to profit. We must, instead, emphasize the need for merchandising on a profitable basis, since this is the basis for utility sales activities, then, and only then, is sincere dealer co-operation possible. Too frequently in the past have some companies gone before dealers with what were termed dealer co-operative plans, but which were in effect either Dealer Competitive Plans or Dealer Subsidy Plans. When the plan was a dealer competitive plan, it created dissatisfaction among the dealers and caused them to complain that they could not stay in business so long as a utility merchandised. When the plan was of the dealer subsidy type, it met ready acceptance on the part of the dealers when introduced, but, in most cases, destroyed the initiative and value of the dealer.

We must provide the leadership in post-war sales activities that will assure our customers the best equipment possible so that gas, the fuel, will attain Certified Performance in every possible way. We must be very sure today that our customers are judging gas, the fuel, by the highest standards of performance and not making comparisons between gas equipment of the 1930 era and competitive equipment of the 1940 era.

Post-war sales studies have indicated there are definite trends. Our ability to find them—to have the know-how to capitalize upon them—will lead us to success. Inaction can only mean failure.

War has focused attention on *Production*. Peace will focus attention on *Selling*. From the war we have the statement "Too little and too late." Let not the sales promotion of the gas industry have to answer such an indictment.

MITCHELL ADDRESS

(Continued from page 463)

knowledge we acquire on this subject, the easier it will be to measure the desirability of the over-all residential load and its component parts. The first point, therefore, can be summed up by saying that it will be desirable to approach the post-war sales task with a plan, based upon accurate knowledge, to secure what would be the most desirable load if we were given free choice.

Second—The second major point to consider is the kind and size of the residential market that will be available to gas.

In measuring this market, please bear in mind that the sale of replacement equipment for reasons of obsolescence, style, etc., will not be our only concern, although it

will represent a large volume of business immediately and each year thereafter. The sale of such equipment will be important in retaining gas service in a market we have already captured, but another important task will be to study the broader phases of the market that will involve the sale of *added* quantities of gas.

For example, to what extent are habits and preferences of the public going to affect the use of gas? Are present food shortages apt to create "eating out" habits that will reduce the use of gas in the home, or is it possible that the good work of many home service departments in connection with canning will continue to bear fruit in peacetime? Will Mrs. America continue to preserve food by home methods? Can home baking and food preparation be encouraged with beneficial results? Is the present shortage of domestic help temporary, or will it permanently affect the operation of the American home? If the home of the future is to be operated on a "servantless basis," it is highly important that we study the type of equipment that such a home will require.

Cleanliness will take on a new meaning because of the lack of help.

Convenience will mean conservation of time which the housewife will have to budget thoughtfully.

The quiet, carefree operation of the gas refrigerator will be a "must" in the home that operates on an efficiency basis.

The words "automatic hot water" will be more than a sales slogan. The householder will demand this service as a necessary item in the operation of the planned home.

Temperature and humidity control in the home both summer and winter will be demanded not only to add comfort to living but to save time and safeguard health through convenience and cleanliness.

If gas service is to be included in tomorrow's home because of its value in over-all home operation, we must make sure the equipment which interprets its

value is the correct kind and we must know the size of the market that exists. It will not be sufficient to leave the development of gas burning appliances to the fancy of a designer or a buyer for a large outlet, based on what may, in his mind, constitute a good promotional item. The control of the type of appliances sold must remain in the hands of a progressive gas industry.

Third—The third major point has to do with securing acceptance for gas by the public in preference to competition, and competition means not only competitive fuels but other goods and services that compete for the consumer's optional spendable dollar.

In our American way of doing business, creating a desire is almost synonymous with advertising, and advertising of many kinds will be necessary; but the kind and amount must be determined accurately.

Because competitive forces are national in scope, it will be necessary to view advertising from a national as well as a local viewpoint. Any effort that falls short of the studied, indicated, allowable maximum for advertising will invite the entrance of competition. Our competition is and has been out-advertising us, and in all probability will continue to out-advertise us in the post-war period.

We will have no money to waste, but by the same token, we will recognize the wastefulness of doing less than we should, based on the value of the load involved. The use of local advertising media alone cannot do the entire job.

A desire created by advertising in any or all of its given forms must be satisfied. This means that the product must be good and do what is claimed for it. It must be delivered by an organization that is well trained and appreciates its responsibilities, and finally, it must be sold under a rate structure designed for the purpose for which it is used.

Make It Easy to Buy

Fourth—The fourth point will deal with making it easy for the customer to buy. Gas service is judged by its performance plus the human contacts necessary to complete its purchase. Those contacts, good or bad, exert a strong influence on public preference for gas service, and hence are classed under building a desire for the service.

We must take steps toward the development of a well-informed, enthusiastic employee group. Employees must know the problems facing their company and they must know *how* they can best help solve them.

The gas industry will feel a greater sense of responsibility toward equipment distribution channels. It will not be sufficient to merchandise or leave the job to the dealer with no more than a passing thought about the results of such a decision.

The problem starts with the manufacturer. Any reliable maker of good equipment, whose product makes our customer

Time Out!

By Chet Smith



"What d'ya mean you're paying your gas bill? I thought this was a butter line." (Reproduced from Richmond Times-Dispatch)

satisfied with gas service, is entitled to industry support. In fact, an industry aim must be to so popularize gas service as to encourage and retain the interest of sound, aggressive manufacturers of reliable gas burning equipment.

The distribution channels open to a manufacturer will be of direct concern to the gas industry, and we will need to assist and encourage their development wherever possible.

The dealer and his sales force will take on added significance. Wartime conditions have caused many dealers to close up shop, while others are getting experience in selling lines they have not previously handled. Will they all come back to selling gas appliances when the war is over? We not only hope so—we must replace them if they don't; and you can add to our problem the strenuous efforts that will be made by other lines of merchandise for dealer distribution outlets.

A vast network of outlets for a variety of appliances will be necessary to make it easy for the prospect to buy new uses for gas service.

One point that will receive added emphasis is that of personnel training. Efforts along this line prior to the war indicated the value of this work. When we consider that the sale of an appliance to the customer is in most cases through personal contact and add to that the task of selling new uses and new users in the competitive post-war period, the importance of personnel training, both for the utility and the dealer, becomes apparent.

It is encouraging to note that from a recent survey it is indicated that more than 90% of the operating gas utilities in the country intend to resume aggressive, direct merchandise efforts in the post-war period in cooperation with a strong dealer program.

In the same breath, it can be said that the gas industry will have to assume a new sense of responsibility for public acceptance of gas service. Its markets will be gauged on a broader base than heretofore, by including gas as a necessary factor in the post-war scheme of living.

RUTHENBURG ADDRESS

(Continued from page 464)

of utility support for non-utility selling organizations.

At the other extreme are gas utilities that conduct their own aggressive appliance merchandising programs with little regard for non-utility outlets. Intermediate between these extremes we find a great many variations in pattern. But, generally speaking, the most successful plans are those under which non-utility appliance outlets are stimulated, supervised and checked by a utility management that appreciates the need for consistent profit to the dealer and the fact that one all-important objective is the enlistment of maximum retail selling manpower in its territory.

A fundamental requirement which must

be recognized among all of us who assume responsibility for industry progress is that we must have *more retail salesmen and better retail selling methods*. No matter how we approach the basic problem, we must always face the manpower question. Plans for advertising, price structures, promotional plans all have their places of importance. But sales are made by men and not by mere plans, which, without adequate manpower, are impotent.

If you are content to have one-tenth as many gas refrigerator salesmen as there are electric refrigerator salesmen in your territory, you must also be content with 10 per cent of the total refrigerator market. The same principle applies to the sale of other gas appliances which are directly competitive with electric appliances. The same principle also applies to appliance sales in ratio to meters.

Only the utilities can improve the quality of the fuel they sell, and in many territories this is a job that needs doing. During recent years I have studied many surveys which were conducted to determine the attitude of the public toward gas as a fuel. Where unfavorable attitudes exist, evidence indicates that the public believes electricity to be cleaner than gas. Unquestionably great progress has been made toward improving the quality and uniformity of gas, but the reputation of the fuel still suffers in some territories because of the presence of too much gum, sulphur and other impurities.

A. G. A. Contribution:

Superimposed upon those areas of responsibility in which the appliance manufacturer and the utility must operate to mutual advantage is a great area of responsibility for industry progress that should be developed by joint cooperative activity of many utilities and many manufacturers. Machinery for this type of activity has been well designed, and developments to date are encouraging. None can challenge the great service to the gas industry that has been rendered by the American Gas Association. The Association of Gas Appliance and Equipment Manufacturers serves the joint interests of its members, and ever-closer collaboration between these two associations can bring great benefits to all of us. The testing laboratories of the American Gas Association perform invaluable services which constantly increase in scope and penetration. The Institute of Gas Technology has made a good beginning and provides a nucleus for far greater accomplishments as the result of research. In these institutions the gas industry has the basis for very effective cooperative effort.

If you will read General Marshall's official report of September 8, 1943, "The United States at War," I think you will appreciate some of the miracles that can be accomplished under great difficulties through effective collaboration. Is it too much to hope that there will come into being in the gas industry very quickly a grouping of the ablest men, representing both the utilities and the manufacturers, to

constitute a supreme board of strategy—something corresponding to the joint Chiefs of Staff of the United Nations? Such a group, by availing themselves of the facilities of the organizations I have mentioned, might well bring about a pattern of constructive aggressiveness in the gas industry that would go far toward insuring rapid satisfactory progress in the post-war days that lie ahead.

ACCOUNTING MEETINGS

(Continued from page 461)

sion. Walter S. Alt, of Union Electric Company of Missouri, who is particularly familiar with the tax aspect of pension plans, led the discussion in this subject of gradually increasing importance among corporations.

A thorough knowledge and understanding of his subject was displayed by I. M. Avent of United Gas Pipe Line Company in leading the discussion on the Collection, at Source, of Tax on Wages.

Other subjects discussed included:

- (a) Current value of 1917-1921 invested capital determinations;
- (b) Filing amended returns;
- (c) Filing claims for refund under Internal Revenue Code Section 3771 (e) for carry-backs of net losses and unused excess profits credits;
- (d) Recent tax decisions involving forgiven indebtedness;
- (e) Allocation of unreported gains (Code Sections 22(b)(9) and 113(b)(3)) on the retirement of bonds;
- (f) The Great Western Petroleum Corporation decision;
- (g) The Virginian Hotel Corporation decision;
- (h) The allocation of income taxes among gas and other operations;
- (i) Maintaining a reserve for the tax saving from the amortization of war facilities; and
- (j) Tax accrual methods.

It is impossible to enumerate all who contributed to the success of the day's meeting, important contributions having been made by practically everyone who attended.

Customer Activities Group

Presiding: E. F. EMBREE, *Coordinator, Customer Activities Group; New Haven Gas Light Company, New Haven, Connecticut*

The first part of the meeting was devoted to the presentation of two papers on "Training Programs for Supervisors." The first paper was given by J. J. Natale, Philadelphia Electric Company, Philadelphia, Pa., and the second was prepared by W. McFeely, Public Service Electric and Gas Company, Newark, N. J., and delivered by H. F. Quad of the same company. The general nature of the programs used by these two companies were

outlined and case histories supplementing the programs were given.

The remainder of the meeting was devoted to a panel and general discussion of current and post-war topics such as Manpower Problems—Today and Tomorrow, Salary and Wage Stabilization, Retention or Abandonment of Present Emergency Practices, Job Training Procedures, Multiplicity of Record Keeping, Uniformity of Certain Utility Practices and Employee Morale during War Time.

The panel consisted of E. N. Keller, Chairman, Philadelphia Electric Company, Philadelphia, Pa.; C. F. Johansen, Atlanta Gas Light Company, Atlanta, Ga.; H. J. Johnson, Michigan Consolidated Gas Company, Detroit, Michigan; D. E. Maloney, The East Ohio Gas Company, Cleveland, Ohio; J. H. W. Roper, Washington Gas Light Company, Washington, D. C., and J. Gordon Ross, Rochester Gas and Electric Corp., Rochester, N. Y.

Questions solicited from the accounting membership on the topics noted previously were submitted to the panel for discussion and were further discussed by attending delegates from the floor.

Customer Relations

HENRY R. FLANEGAN, *Chairman,*
Philadelphia Electric Co., Philadelphia, Pa.

The Customers Relations meeting was marked by lively discussion of effect of wartime conditions upon customer service and customer relations.

Training of new contact employees and simplified methods of handling complaints were also subjects of interesting discussion. There was emphasis on the influence of customer attitudes on the continuance of emergency practices.

Customer Accounting

J. J. NATALE, *Chairman,*
Philadelphia Electric Co., Philadelphia, Pa.

The Customer Accounting Group held a meeting on Wednesday morning, October 27, to discuss current and post-war problems.

The discussions centered around personnel problems which are being encountered due to the war emergency. Methods used in training employees and supervisors to meet new conditions were outlined in detail. The use of women in jobs formerly performed by men was discussed and it was generally agreed that these replacements are doing reasonably satisfactory work.

In discussing changes in billing and meter reading practices it was generally agreed that the lengthened reading plans are meeting with favorable customer reaction. There was some discussion as to the future of these practices and it was agreed that it would be worthwhile to make this an assignment for further study by the incoming Customer Accounting Committee.

Customer Collections

HAROLD F. QUAD, *Chairman,*
Public Service Electric & Gas Co., Paterson, N. J.

In general, the discussion at this meeting was concerned with present practices and results as affected by manpower and other factors.

Credit and collection policies and practices have been made somewhat more strict in accordance with improved economic conditions. It was felt that this is a particularly good time to educate our customers to pay promptly. All companies reporting on their present percentage of delinquency were able to report a very favorable condition. "Uncollectible Bill" figures were extremely low.

Personnel

Collection and Meter Reading personnel have been materially reduced in number by selective service, and in some instances by employees leaving for positions in war industries. The work of collecting and reading meters is being done now by fewer employees than ever before, and without any harmful effects on results.

Some companies who continue to operate on regular monthly billing have found it necessary to use high school boys after school to complete the work. This procedure is not entirely satisfactory as the type of work is below standard and interruption is very frequent.

Deposits

Many companies, including some with complete refunding programs, have re-established the policy of requesting deposits from so-called transient customers. It was agreed by those present, however, that the determination as to whether a customer was of this type is not always easy, unless there is an effort made to request credit information from the company formerly supplying him with service. Standardization of a form for this purpose was briefly discussed but nothing definite was decided.

Collection by Meter Readers

In many types of territories, it was agreed that the use of meter readers as collectors is a very acceptable procedure where there is a delinquency of any proportion. Rearrangement of meter reading work would be necessary, but on the whole, it was felt that meter readers could complete a reasonable day's work on collections without serious difficulty.

Employees Returning from Military Service

With the practically universal reduction in total collection force, there was a brief discussion regarding the jobs to be given to returning employees who formerly worked as collectors. It was agreed that this is a difficult problem, and the result of the discussion was to the effect that it would probably remain a problem without a definite answer both now and in the future.

Gas Kitchen Calendar

TIED up with the new gas industry advertising slogan, "The Flame That Will Brighten Your Future," Eldredge Company has produced a 1944 gas kitchen calendar which is being offered to gas utilities. Using four appealing patriotic illustrations, the calendar will be imprinted with each individual company's name. A place for daily notes appears on the back of the calendar. Closing date for production is Nov. 22 and orders should be addressed to the Eldredge Co., Morgan Ave. and Devoe St., Brooklyn, N. Y.

Personnel Service

SERVICES OFFERED

Industrial Gas Sales Engineer, M. E. Also experienced in all branches of the utilization and sale of gas. Experienced Power Engineer in the application of electricity and in the competition of private power plants. Desire position with utility manufacturer or consultant. 1467.

Petroleum Engineer, geologist, economist, 25 years' experience, available fee, salary or contract basis. Preferred locations: California, West generally, Latin America. 1468.

Production superintendent, general superintendent, or preferably as manager of medium size gas property, either coal or water gas. Experience covers sixteen years' operating and eight years' management with successful record. Middle age. Prefer location in South. 1469.

Industrial Relations Director. Mechanical Engineer with well rounded experience in production, heating engineering, sales, sales management, employment, personnel, and industrial relations management. Suitable for manufacturer or large operating properties. 1470.

Gas Engineer, technical graduate, beyond draft age, with thirty years' experience in all phases of water gas production and high and low pressure distribution, desires connection with gas company. All experience with one holding company or subsidiaries. Present position being abolished and activities being curtailed in the system. 1471.

Chemist—graduate, draft exempt; broad gas company laboratory experience in raw material, plant operation and byproduct control. Could be very useful to manufacturer on purchased supplies. 1472.

Promotional man with ten years' gas industry training. Five years large Metropolitan gas company; five with domestic appliance manufacturer promotional selling and dealer developing. Have planned advertising activities—extensive writing experience. Now in war plant on management detail work. Can relieve busy executive or handle alone varied responsibilities. Draft 3-A. 1473.

POSITIONS OPEN

Miami Beach, Florida, carburetted water gas plant has opening for **gas makers and compressor operators**, permanent or seasonal employment. Give age, draft status, experience, salary expected. 0385.

Superintendent and Assistant Superintendent (two vacancies) for mixed natural and blue gas plant in New York State. 0386.

Large well known manufacturer of cooking and heating appliances offers an excellent opportunity with good prospects for the future for a competent graduate as **test and experimental engineer** on cooking and heating appliances. Experience is desirable but not essential. 0387.

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Maryland Utilities Association Pres.—Lewis Payne, Eastern Shore Public Service Co., Salisbury, Md. Sec.—J. D. Landon, Jr., Eastern Shore Public Service Co., Salisbury, Md.	Ohio Gas and Oil Association Pres.—Earl F. Shadrach, Canton, Ohio Sec.-Tr.—Frank B. Maullar, 811 First National Bank Bldg., Columbus, Ohio.	Wisconsin Utilities Association Pres.—John G. Felton, Northern States Power Co., La Crosse, Wis. Exec.-Sec.—A. F. Herwig, 135 West Wells St., Milwaukee, Wis.

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Training of new contact employees and simplified methods of handling complaints were also subjects of interesting discussion. There was emphasis on the influence of customer attitudes on the continuance of emergency practices.

Customer Accounting

J. J. NATALE, *Chairman*,
Philadelphia Electric Co., Philadelphia, Pa.

The Customer Accounting Group held a meeting on Wednesday morning, October 27, to discuss current and post-war problems.

The discussions centered around personnel problems which are being encountered due to the war emergency. Methods used in training employees and supervisors to meet new conditions were outlined in detail. The use of women in jobs formerly performed by men was discussed and it was generally agreed that these replacements are doing reasonably satisfactory work.

In discussing changes in billing and meter reading practices it was generally agreed that the lengthened reading plans are meeting with favorable customer reaction. There was some discussion as to the future of these practices and it was agreed that it would be worthwhile to make this an assignment for further study by the incoming Customer Accounting Committee.

Customer Collections

HAROLD F. QUAD, *Chairman*,
Public Service Electric & Gas Co., Paterson, N. J.

In general, the discussion at this meeting was concerned with present practices and results as affected by manpower and other factors.

Credit and collection policies and practices have been made somewhat more strict in accordance with improved economic conditions. It was felt that this is a particularly good time to educate our customers to pay promptly. All companies reporting on their present percentage of delinquency were able to report a very favorable condition. "Uncollectible Bill" figures were extremely low.

Personnel

Collection and Meter Reading personnel have been materially reduced in number by selective service, and in some instances by employees leaving for positions in war industries. The work of collecting and reading meters is being done now by fewer employees than ever before, and without any harmful effects on results.

Some companies who continue to operate on regular monthly billing have found it necessary to use high school boys after school to complete the work. This procedure is not entirely satisfactory as the type of work is below standard and interruption is very frequent.

Deposits

Many companies, including some with complete refunding programs, have re-established the policy of requesting deposits from so-called transient customers. It was agreed by those present, however, that the determination as to whether a customer was of this type is not always easy, unless there is an effort made to request credit information from the company formerly supplying him with service. Standardization of a form for this purpose was briefly discussed but nothing definite was decided.

Collection by Meter Readers

In many types of territories, it was agreed that the use of meter readers as collectors is a very acceptable procedure where there is a delinquency of any proportion. Rearrangement of meter reading work would be necessary, but on the whole, it was felt that meter readers could complete a reasonable day's work on collections without serious difficulty.

Employees Returning from Military Service

With the practically universal reduction in total collection force, there was a brief discussion regarding the jobs to be given to returning employees who formerly worked as collectors. It was agreed that this is a difficult problem, and the result of the discussion was to the effect that it would probably remain a problem without a definite answer both now and in the future.

Gas Kitchen Calendar

TIED up with the new gas industry advertising slogan, "The Flame That Will Brighten Your Future," Eldredge Company has produced a 1944 gas kitchen calendar which is being offered to gas utilities. Using four appealing patriotic illustrations, the calendar will be imprinted with each individual company's name. A place for daily notes appears on the back of the calendar. Closing date for production is Nov. 22 and orders should be addressed to the Eldredge Co., Morgan Ave. and Devoe St., Brooklyn, N. Y.

Personnel Service

SERVICES OFFERED

Industrial Gas Sales Engineer, M.E. Also experienced in all branches of the utilization and sale of gas. Experienced Power Engineer in the application of electricity and in the competition of private power plants. Desire position with utility manufacturer or consultant. 1467.

Petroleum Engineer, geologist, economist, 25 years' experience, available fee, salary or contract basis. Preferred locations: California, West generally, Latin America. 1468.

Production superintendent, general superintendent, or preferably as manager of medium size gas property, either coal or water gas. Experience covers sixteen years' operating and eight years' management with successful record. Middle age. Prefer location in South. 1469.

Industrial Relations Director. Mechanical Engineer with well rounded experience in production, heating engineering, sales, management, employment, personnel, and industrial relations management. Suitable for manufacturer or large operating properties. 1470.

Gas Engineer, technical graduate, beyond draft age, with thirty years' experience in all phases of water gas production and high and low pressure distribution, desires connection with gas company. All experience with one holding company or subsidiaries. Present position being abolished and activities being curtailed in the system. 1471.

Chemist—graduate, draft exempt; broad gas company laboratory experience in raw material, plant operation and byproduct control. Could be very useful to manufacturer on purchased supplies. 1472.

Promotional man with ten years' gas industry training. Five years large Metropolitan gas company; five with domestic appliance manufacturer promotional selling and dealer developing. Have planned advertising activities—extensive writing experience. Now in war plant on management detail work. Can relieve busy executive or handle alone varied responsibilities. Draft 3-A. 1473.

POSITIONS OPEN

Miami Beach, Florida, carburetted water gas plant has opening for **gas makers and compressor operators**, permanent or seasonal employment. Give age, draft status, experience, salary expected. 0385.

Superintendent and Assistant Superintendent (two vacancies) for mixed natural and blue gas plant in New York State. 0386.

Large well known manufacturer of cooking and heating appliances offers an excellent opportunity with good prospects for the future for a competent graduate as **test and experimental engineer** on cooking and heating appliances. Experience is desirable but not essential. 0387.

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